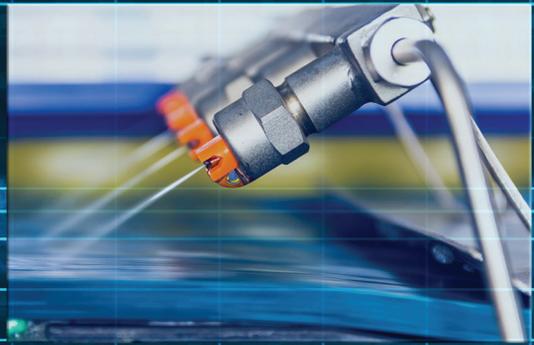


2014 Year End Evaluation Report Of the New Economy Initiative for Southeast Michigan:

*A Project of the Community Foundation
for Southeast Michigan*



new
economy
initiative



Submitted to:
The New Economy Initiative for
Southeast Michigan

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Based on data pulled from the
Grantee Performance Network,
March 18, 2015

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Executive Summary

The New Economy Initiative (NEI) was created in 2007 as a special project of the Community Foundation for Southeast Michigan to accelerate the transition of Southeast Michigan to a position of leadership in the new global economy. The unique philanthropic initiative is comprised of twelve national and local foundations that have committed more than \$133 million to support diverse regional and Detroit focused development efforts.

Whereas the early initiative experimented with several strategic directions, NEI introduced its “Innovation Network” strategy in 2012 and has stayed the course, with significant impact. The Innovation Network represented an approach more specifically focused on fostering entrepreneurship and early stage business. It includes six emphasis areas in which grants are funded: Connections, Ideas, Investments, People (Talent), Places, and Tools. The principal Innovation Network activities include: 1) Promoting entrepreneurship across the region through events, competitions, and activities; 2) Growing the service provider network that services the entrepreneurial business community; and 3) Supporting ideas and addressing gaps in the ecosystem.

The purpose of Growth Capital Network’s (GCN) overall evaluation work is to assist NEI in making funding decisions to drive continuous improvement and long term impact in the region. This report intends to inform stakeholders about the current status of the funding and assess any short term outcomes and immediate impacts made by these grantees on the Southeast Michigan economy and innovation eco-system.

Methodology

GCN used a mixed method approach, along with a grant-by-grant review process that includes document review, discussion with NEI program officers, and extensive interviews with select grantees. Quantitative data was compiled via the Grant Progress Network (GPN) system and analyzed using SPSS. Qualitative data was collected through structured interviews and analyzed manually for themes.

Key Findings

Macroeconomic Analysis – Southeast Michigan

A macroeconomic analysis was conducted to assess the current overall economic state of the region based on a select set of economic indicators. It is difficult to gauge how much of the improvement in macroeconomic indicators is due to improvement in the national economy; however, in conjunction with other data, such as the grant-specific information, certain deductions about the “big economic picture” can be made with a greater level of confidence. The following are the key findings from that analysis which includes data from 2007 to 2013 and covers the Detroit/ Warren/ Livonia MSA and within the City of Detroit.

- Overall educational attainment has increased
- College/graduate school enrollment has increased within the City of Detroit
- Per capita income varies by race/ethnicity but is increasing for everyone
- Poverty has increased while the overall population has decreased since 2007 (Suggesting that those who did not move were of a lower socio-economic status or had a decrease in income)
- Employment is going up and unemployment is going down

► Results

The following are key findings from the online Grantee Performance Network system. They outline the NEI portfolio's current composition, area focus of the monies, grantee maturity levels, and the impact on program participants.

► Grant & Grantee Composition

- More than \$87.5 million has been awarded in grant funds to 186 grants
- 86 grants were open and active during 2014, utilizing \$30.9 million in awarded funds
 - Investment grants have the highest number of open and active programs (39), utilizing more than \$12 million in awarded funds
- Tool grants represent the majority of grants - 68 being funded for more than \$34.8 million
 - Followed by investment (42), connection (34), idea (18), people (13), and place (11) grants
- Place grants are 6% of grants, yet are the second highest amount awarded at \$17.7 million
 - Followed by investment, idea, people, and connection grants
- Grants with a social equity focus area have received more than \$18.6 million in funding; 67% of are open and active
- 49% of all grants are Detroit-centric or focused programs and have received 64% of all funds awarded at nearly \$55.9 million
- Funding in the Investment category is steadily increasing with 2014 yielding the highest number grants awarded - 64 with more than \$13.7 million awarded

► Impact Snapshot

- Over 14,000 jobs have been created due to NEI funded programs and the trend shows a steady increase in job creation
- More than \$604 million has been realized in programmatic and client investment leverage and this number is steadily increasing, with an additional \$116 million realized in 2014
- As a result of NEI funded programs, more than 138,000 people have been exposed to entrepreneurial services
- More than 2000 companies received assistance from NEI grantees
 - 25% of those companies were minority owned, 18% woman owned, 17% Detroit-based, and 8% immigrant owned
- Over 7,900 individual entrepreneurs engaged with NEI grantees and received services
- More than 1,330 new enterprises have been created since 2010 and the yearly impact is steadily increasing
 - 33% of enterprises created were minority owned and 27% were woman owned
- Since 2010 there have been 474 new patents, 213 new technology/invention disclosures, and 18 new licensing deals

Introduction

The New Economy Initiative (NEI) was created as a special project of the Community Foundation for Southeast Michigan to accelerate the transition of Southeast Michigan to a position of leadership in the new global economy. The unique philanthropic initiative is comprised of twelve national and local foundations that have committed more than \$133 million to support diverse regional and Detroit focused development efforts.

Since 2011, Growth Capital Network (GCN) has been working with NEI to perform a set of quantitative and qualitative reviews of the grant portfolio. The key goals for the ongoing project are as follows:

- Provide technical assistance and maintain a performance measurement system for the grantees
- Engage with the grantees on a regular basis around their reporting
- Illustrate the impact of NEI and its role in shifting the local economy through key findings
- Maintain a performance measurement system for the NEI grantees
- Deliver success stories and lessons learned

After an overview of the initiative's history and a discussion of the research objectives/methodology, the report reviews the key macroeconomic indicators and trends that are impacting Southeast Michigan. It outlines the current composition of the NEI portfolio, the focus areas of the monies and the maturity levels of the grantees. A sampling of the individual grants are reviewed before the focus shifts to the overall effect of the initiative – the top line metrics and impacts.

Organizational Background and History

The NEI was conceived and charted in 2007. From the earliest phase of the initiative, the strategy and vision has focused on fostering innovation throughout the entire Southeast Michigan region. Rather than restricting support to an individual sector or industry, a broad reach was considered the most effective manner to encourage economic growth. It was a grave economic period in our region. The majority of US jobs lost during the first decade of the millennium were in Michigan and our state was experiencing a significant per-capita income drop. The NEI's focus was to recapture lost jobs and participate in the creation of a revitalized infrastructure/culture and the establishment of a more diverse economy.

Key Economic Transformation Foci (2006-2007)

In order to most effectively and efficiently direct grant funds, the NEI Governing Council determined three key foci of economic transformation:

- Talent: programs to help prepare, attract, and retain skilled workers in the region
- Innovation: entrepreneurial opportunities in new and existing enterprises
- Culture Change: efforts to enhance the region's image regarding learning, work, and innovation

Subsequent to its formal launch in 2008, NEI developed metrics related to each of the three core objectives. Performance measurements were incorporated to ensure that funding lead to high impact, scalability, and sustainability. The metrics served as tools to effectively evaluate funded initiatives, as well as benchmarks for future opportunities.

From 2008 through 2011, the NEI staff applied a framework for ongoing implementation that employed the three modules of activities that targeted the original NEI areas of talent, innovation and culture change and connected to the existing work of foundations in the Detroit metropolitan region.

▶ **Three Modules of Activities (2008-2011)**

- Promote a successful entrepreneurial eco-system
- Capitalize on existing regional assets and resources
- Build and employ a more skilled and educated workforce

▶ **Innovation Network and NEI 2.0 (2012-present)**

A new direction for NEI funding activity began with in 2012 with the Innovation Network. This represented a strategy more specifically focused on fostering entrepreneurship and early stage businesses, with a primary focus on strengthening the Detroit entrepreneurial ecosystem. In 2014, NEI 2.0 was officially announced with new funding from 12 funders for more than \$33 million to support its efforts over the next three to five years to continue its work. The funders include the Knight Foundation, Ford Foundation, Kresge Foundation, W.K. Kellogg Foundation, William Davidson Foundation, Hudson-Webber Foundation, Charles Stewart Mott Foundation, Community Foundation for Southeast Michigan, Max M. and Marjorie S. Fisher Foundation, McGregor Foundation, and the Surdna Foundation. The NEI has funding through 2017 to support its efforts and continue its nurturance of an innovation and entrepreneur focused culture.

▶ **Top NEI 2.0 Activities**

- Continue to support Innovation Network and the surrounding district it resides within
- Grow the service provider network that services the entrepreneurial business community
- Promote entrepreneurship across the region through events, competitions, and activities

In summary, since its inception, the NEI grant making has evolved from broad based metrics and foci to a tightly focused strategy where the engagement and support of the entrepreneurial community across southeastern Michigan has become the prime objective.

EMPHASIS AREAS

The following are the descriptions of the NEI emphasis areas in which funded grants are grouped and examples of current programs within these areas

Description	Program Examples (for the full set of current programs, see appendix C)
Connections	
• Investments to create and promote valuable, sustainable and accessible networks	• The Henry Ford • Greater New Orleans Foundation
Ideas	
• Investments instigating new ideas and helping ideas come to market	• DEGA - NEIdeas Competition • Accelerate Michigan Innovation Competition • Wayne State University - Tech Incubator
Investment	
• Investments in providing access to capital for every stage of ideas and growth	• Detroit Innovate and First Step Fund • Detroit Soup • Detroit Retail Micro-Lending Capital & Capacity Project • Detroit Midtown Micro-Enterprise Fund

EMPHASIS AREAS

The following are the descriptions of the NEI emphasis areas in which funded grants are grouped and examples of current programs within these areas

Description	Program Examples (for the full set of current programs, see appendix C)
People (Talent)	
<ul style="list-style-type: none"> Investment in retaining, attracting, and preparing talent for jobs 	<ul style="list-style-type: none"> SE Michigan Community Alliance – WIN Venture for America Fellows Program
Place	
<ul style="list-style-type: none"> Investments in building physical places for ideas to thrive and to help make Detroit and its metropolitan area an ideal location for start-ups and growing businesses 	<ul style="list-style-type: none"> Eastern Market Corporation Edison Welding Institute Grandmont Rosedale Workplace Midtown Detroit Inc.- TechTown District & Innovation District Real Estate Assessment Southwest Solutions - Ponyride Detroit
Tools	
<ul style="list-style-type: none"> Investments in identifying best practices and providing training, mentors, and support services to help ideas grow 	<ul style="list-style-type: none"> Arab Community Center for Economic and Social Services - ACCESS Bizdom U College for Creative Studies Accelerator DEGA - D2D B to B Procurement Program Detroit Regional Chamber - Startgrid Endeavor Initiative Inc Henry Ford Innovation Institute Inforum Center for Leadership Michigan Women’s Foundation Southwest Housing Solutions - ProsperUs WSU TechTown

▶ Social Equity and Inclusion

An important aspect of NEI’s work that imbues all of their strategic areas is social equity. Since the initiative’s inception, it has been steadfast in its commitment to inclusion and equity as driving values and has traditionally funded programs focused on serving underserved populations. NEI and GCN in collaboration with PolicyLink has brought the equity discussion to the foreground during funding meetings and is included in each set of grantee reporting requirements. In addition to the emphasis areas that NEI grants are placed into, grants which have specific underserved target populations as their focus, are placed into what, NEI refers to as “social equity focus” areas. There are five “social equity focus” areas: immigrants, low education, low income, minorities, and women; and grants may be placed into more than one area depending on their target populations.



ChalkFly donated 250 planners for the City Year Detroit’s 9th graders at Osborn



Eric Myers with the Retinal Detachment Diagnostic Device Prototype

The ultimate goal of performance metrics, data, and analysis are so NEI can make well-informed funding decisions to drive continuous improvement and long-term impact in the region. It's important for the NEI staff to meet external stakeholders' requirements while being empowered to make strategic internal decisions and improvements. The commitment to track and communicate results helps others to understand the goals of the organization and the incremental progress towards achievement.

Each grantee is responsible for reporting on milestones that are unique to their program and help us gauge their progress towards strategic and programmatic goals. They are also required to report on a set of metrics that help us to more deeply and quantitatively understand their impact. Many of the metrics are directly applicable to the grantee, but some are indicators that help us to gauge the growth and health of the eco-system writ large. With the numeric reporting, we can more accurately discern the impact that NEI funds are having on local exposure to entrepreneurship, business starts, job creation, leveraged programmatic and private investment capital into Southeast Michigan.

► GCN's Evaluation Goals

- Build a performance measurement system
- Execute a plan to collect quantitative and qualitative data from grantees
- Provide a clear picture of movement and impact
- Communicate the stories around the analyses and anecdotal stories of success and lessons learned; demonstrate the soft skills of the grantees

► Purpose of the Report

The purpose of this report is to inform NEI of the current status of the funding to their different grantees for 2014 and to assess any short-term outcomes and immediate impacts made by these grantees on Southeast Michigan since the inception of NEI to the present. This report outlines the current composition of the NEI portfolio, the focus areas of the monies, and the maturity levels of the grantees.

► Methodology

As part of GCN's ongoing project and evaluation goals, GCN assists NEI in monitoring grantees progress in completing program activities and achieving milestones, and to assess if grants are assisting NEI in achieving its goals. To ascertain this information, GCN uses a mixed method approach, along with a grant-by-grant review process that includes document review, discussion with NEI program officers, and extensive interviews with select grantees.

All NEI grantees are required to report on a set of universal metrics to assess overall impact and a smaller set of metrics tailored specifically for their program. These metrics are self-reported by grantees and entered into the Grant Progress Network (GPN) system. The GPN system is a grant management system that includes global messaging of grantees, document/image uploads, auto-notification for report submissions, grantee to-do lists, customized milestone and metric menus, data exporting and preliminary reports, online assistance, and event tracking.

► The GPN Interface Provides

- Streamlined reporting and communication with the grantees
- Easy two way communication between the grantees and the NEI
- Easy access to key grantee organization information such as financials and budgets
- Access to media and communication data such as logos, board lists, and staff biographies
- Data capture that ranges in scope from the individual grantee to the complete initiative
- Organizational and grant data for all NEI grants (closed and open)
- Outcomes and measures data for NEI grants
- Streamlined management of the activity and adherence of each grantee
- Reports and downloads for increased efficiency
- More simplified transition of grantees between NEI staff

For more information on the GPN system please go to Appendix A.

► Data Collection and Analysis

► Quantitative Data

Quantitative data (metric data) was compiled via the GPN system and analyzed using the Statistical Package for the Social Sciences (SPSS) v 22. Descriptive statistics such as frequencies and percentages were used to analyze categorical data (e.g. NEI funding emphasis areas) while averages and standard deviations were used for continuous variables (e.g. Funding amounts).

Data Disclosure: Grantee metrics are self-reported, many program participants have had contact with multiple grantees and therefore may be represented more than once, and actual counts may vary among different reporting sources due to grantee compliance with timely reporting. Data for this report was extracted from the GPN system on 3/18/15, data extracted and reported on, before or after this date may contain different results.

► Qualitative Data

Qualitative data is collected through semi-structured interviews (in-person and over-the-phone), using a convenience sample of select program participants, who are selected by a select group of NEI grantees, to highlight some of the short-term outcomes and immediate impacts of NEI funding. Qualitative data gathered is analyzed manually for themes, and are quantified and used for anecdotal examples of short term outcomes and immediate impacts of NEI funding.

► Macroeconomic Key Findings

NEI has been tracking various macroeconomic indicators to obtain a broad stroke view of how the region is doing in its entirety. The following are key findings from the macroeconomic analysis with data going back to 2007 and covers the Detroit/Warren/Livonia MSA and within the City of Detroit. (The full analysis is located in Appendix B.)

Overall educational attainment has increased

The Detroit/ Warren/ Livonia area was slightly above the national average in 2013 for those with less than a high school diploma. That said, the trend shows that this is decreasing over time – indicating that more people are graduating high school and suggests that educational attainment is increasing.

This positive trend can also be seen for those with a bachelor's degree or higher, which has increased over time in both areas; further suggesting that educational attainment has improved overall.

Figure 1. Educational attainment – Detroit/Warren/Livonia MSA area

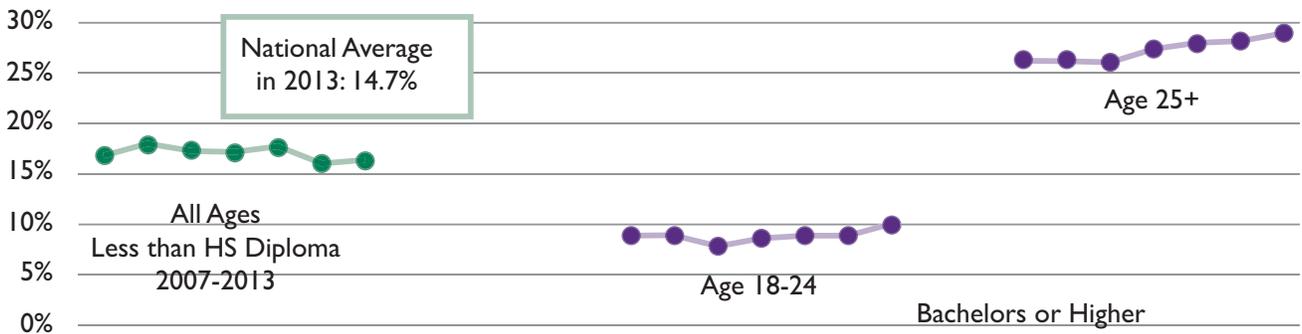


Figure 2. Education attainment – within the City of Detroit

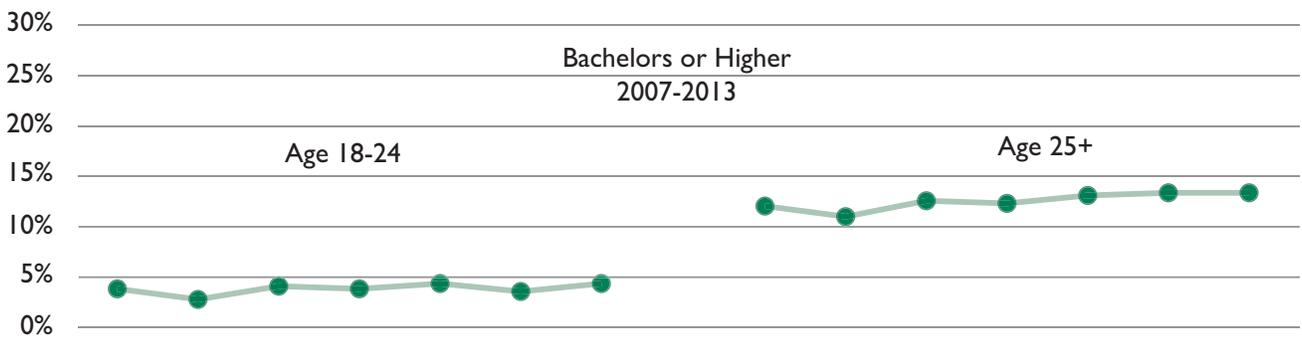
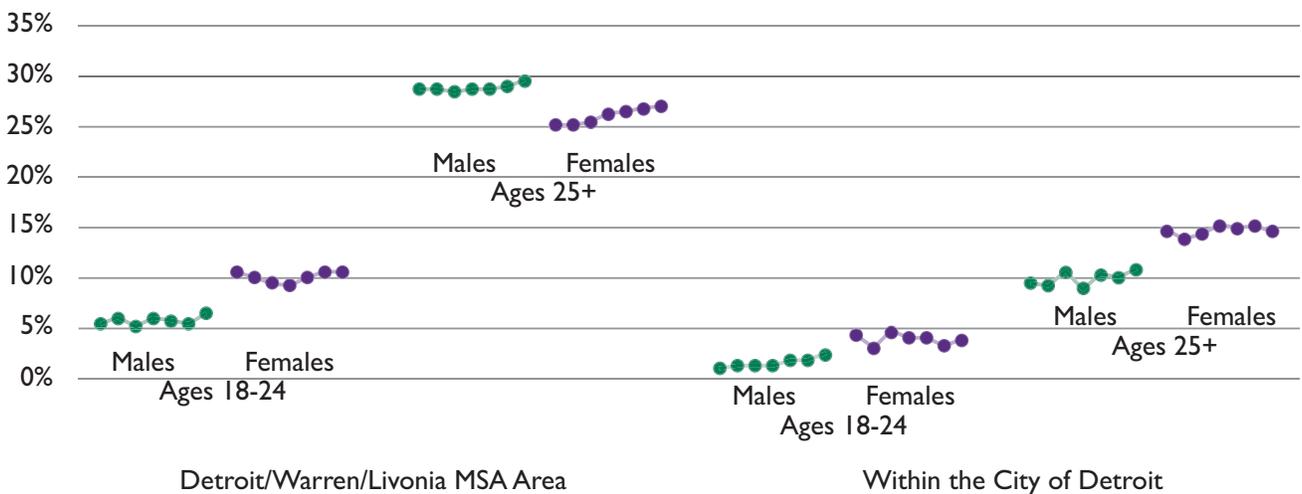


Figure 3. Education attainment – Educational attainment males/females with a bachelor degree or higher 2007-2013

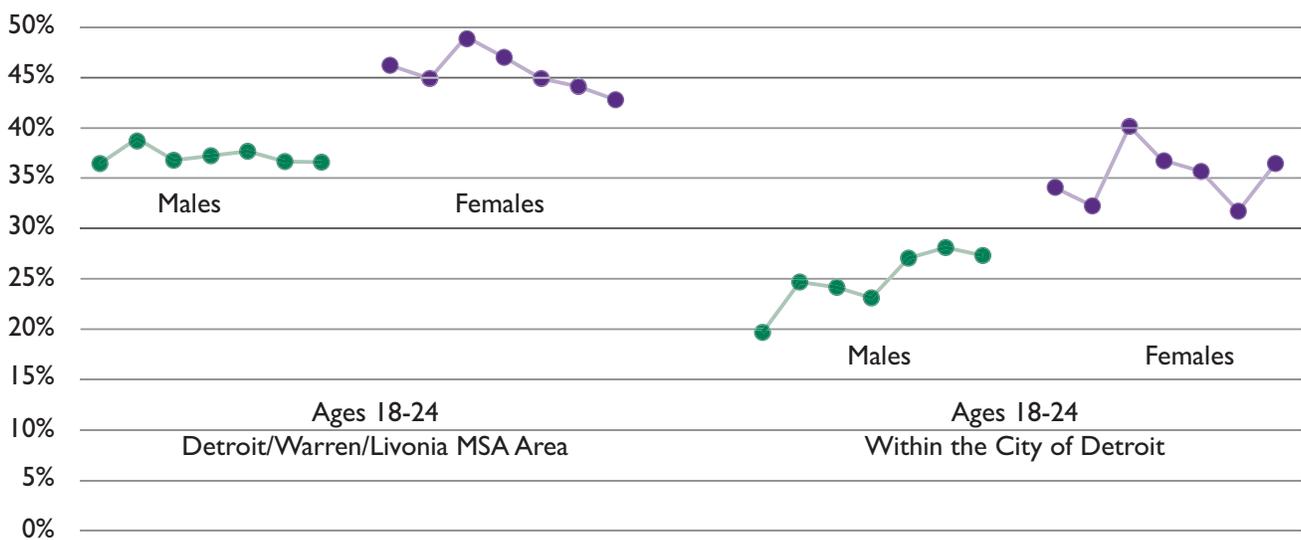


College/graduate school enrollment has increased within the City of Detroit

In 2009, college/graduate school enrollment had decreases for both males and females in both the Detroit/ Warren/ Livonia MSA area and within the City of Detroit. Although, in both groups females have higher enrollment rates, they have decreased more steeply in enrollment than their male counterparts. Males in the Detroit/ Warren/ Livonia MSA area

had a consistent rate of enrollment throughout the 2007-2013 period, and males within the City of Detroit steadily increased almost 8% overall. Whereas females, in both areas have steadily decreased. However, enrollment for females in the City of Detroit has increased by approximately 5% in 2013 from 2012, and has increased overall since 2007.

Figure 4. Enrollment in college/graduate school 2007-2013

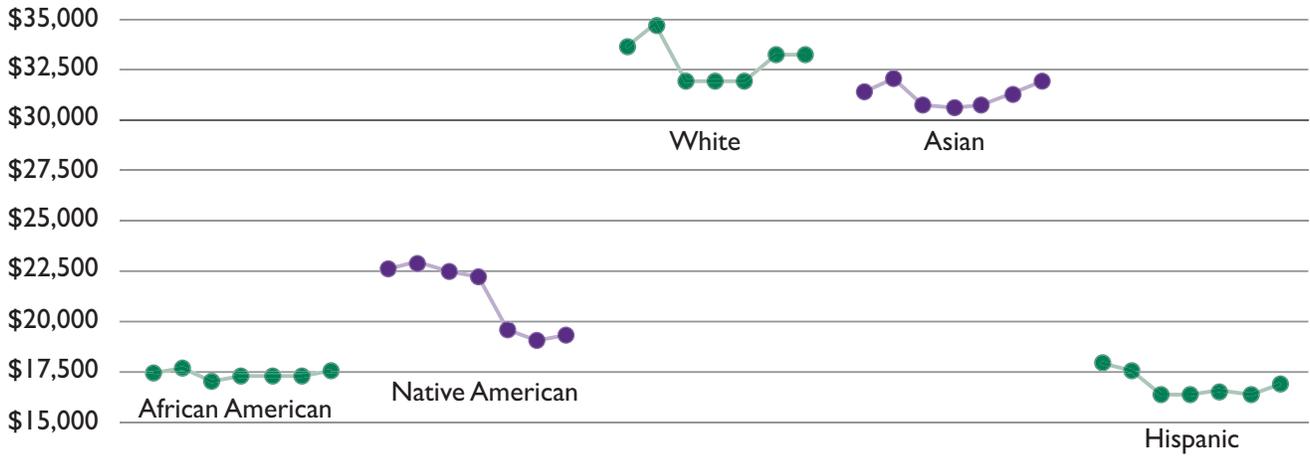


Per capita income varies by race/ethnicity but is increasing overall

In the Detroit/Warren/Livonia MSA area, Asians and Whites have per capita income levels approximately double the levels for African-Americans and Hispanics. The 2011-2013, three year averages show that African-Americans had a per capita income of \$17,358 versus Whites who had a per capita income of \$31,790. Hispanics during this time period had a per capita

income of \$16,609, which is the lowest of all groups. Native Americans per capita income fell from \$22,815 in 2006-2008 to \$18,640 in 2011-2013 and appear to not be recovering. These national and regional trends strongly suggest that targeted, social equity initiatives need to be at the forefront of any economic development initiatives.

Figure 5. Per capita income, 3 year average – Detroit/ Warren/ Livonia MSA Area 2005-07 to 2011-13

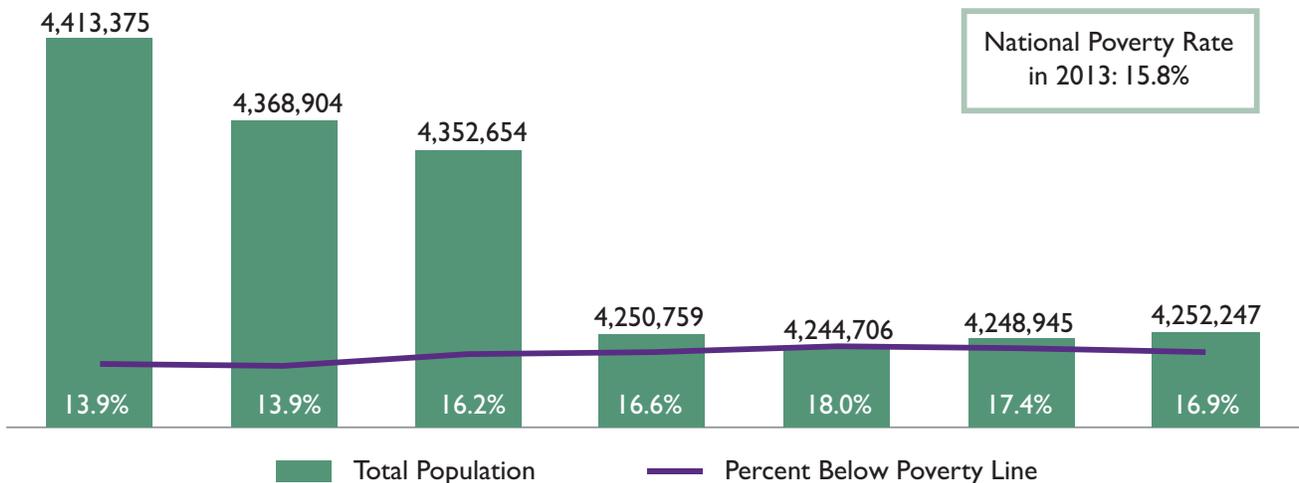


Poverty has increased while the population has decreased since 2007

Population levels in the region have fallen since 2007 from 4,413,375 to 4,252,247; a decline of 3.7%. The poverty rate during that time has continued to increase indicating that those residents who did choose to stay in the region during

the recession saw, on average, further decreases in their income levels. Although poverty rates have fallen since 2011, overall the poverty rate was three percentage points higher in 2013 than it was in 2007 (16.9% versus 13.9%).

Figure 6. Poverty rates, Detroit/ Warren/ Livonia



Employment is going up and unemployment is going down

In 2008, 2,009,221 residents were gainfully employed and by 2010, only 1,773,943 residents were employed: a 12% decline in two years. However, employment in the Detroit/Warren/Livonia MSA area has been rebounding. There seems to be a steady upward trend, since 2010, where just under 1.8 million people were employed to just over 1.9 million in 2013.

The unemployment rate appears to correlate with the employment levels. The highest unemployment rate within the Detroit/Warren/Livonia MSA was in 2009 at 15.5%. The official unemployment rate has now fallen, to pre-recessionary levels (7.5% in 2014).

The Workforce Intelligence Network (WIN), an NEI grantee, gathers labor demand information for the nine-county region of Southeast Michigan. Specifically, WIN gathers online job postings, which correlate well with actual employment levels and reported 350,035 open jobs in 2014.

According to WIN, the region's top job postings for 2014 were:

- 1) Software developers, applications (13,152 postings)
- 2) Heavy and Tractor-Trailer Truck Drivers (10,429 postings)
- 3) Retail Salespersons (10,296 postings)
- 4) Sales representatives, wholesale and manufacturing, except technical and scientific products (9,118 postings)
- 5) Registered Nurses (9,038 postings)
- 6) First-line supervisors of retail sales workers (6,865 postings)
- 7) Customer Service Representatives (6,773 postings)
- 8) Combined Food Preparation and Serving Workers, Including Fast Food (5,038 postings)
- 9) Mechanical Engineers (4,853 postings)
- 10) Medical and Health Services Managers (4,548 postings)

Figure 7. Total population employed, ages 16+ – Detroit/Warren/Livonia MSA

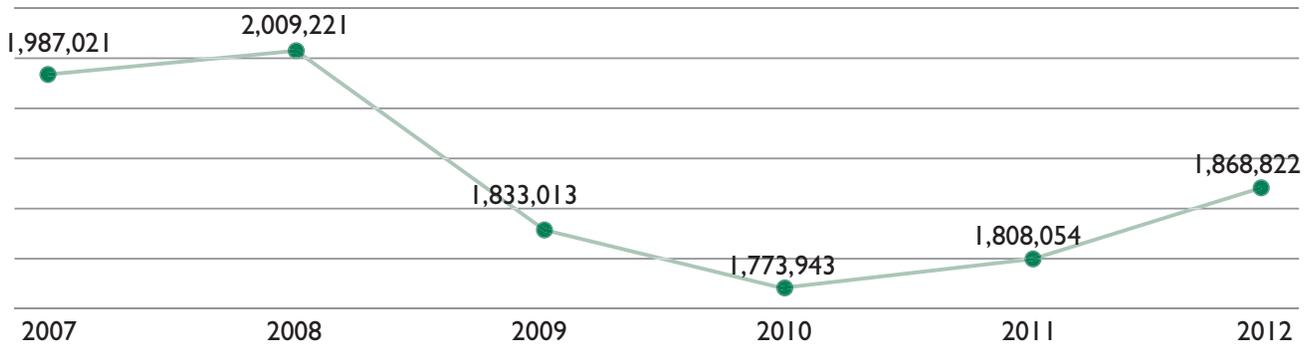


Figure 8. Unemployment rate, ages 16+ – Detroit/Warren/Livonia MSA

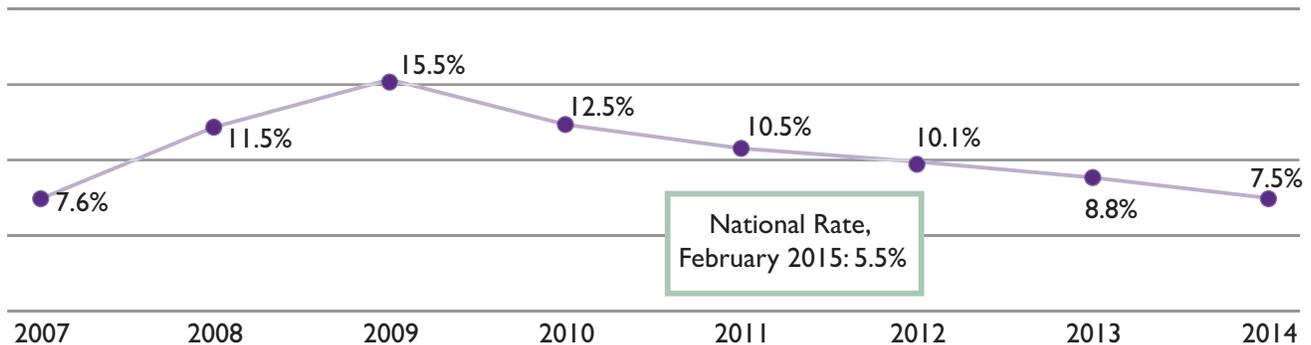
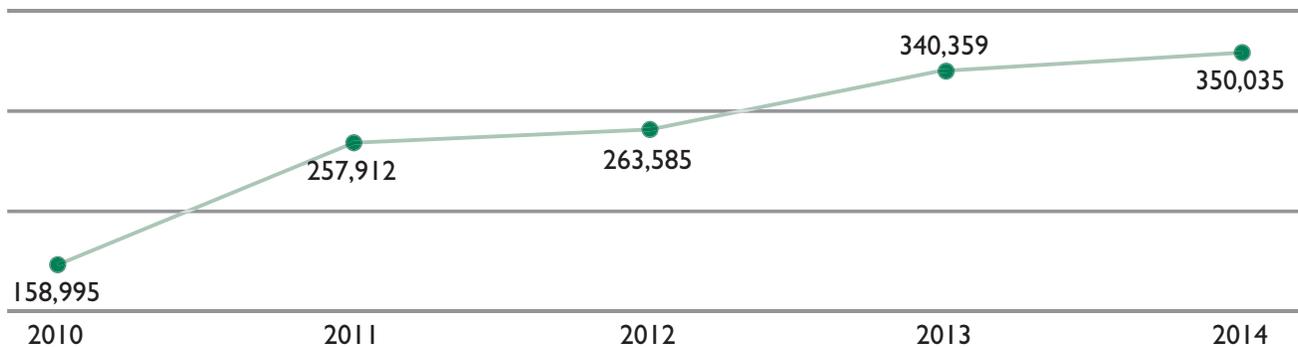


Figure 9. Workforce Intelligence Network (WIN) findings for Southeast Michigan online job postings

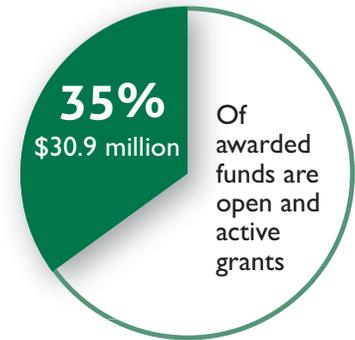
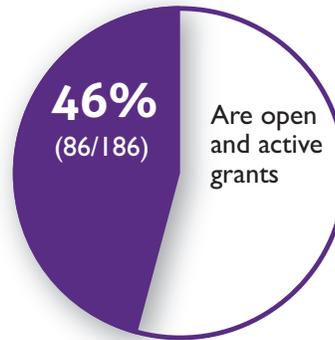


Conclusion

- As is true for most economic indicators across the country, the past couple of years have seen marked improvement.
- Thriving cities create a positive feedback loop where employment opportunities with living wages create socio-economic stability that is sustainable over time.
- Initiatives such as the NEI recognize that first and foremost, employment opportunities must return in order for the challenges to be fundamentally addressed.
- What is true in the Detroit region and across many struggling U.S. urban centers is that the lack of educational opportunities and the associated dearth of living-wage jobs is a persistent and stubborn social and economic challenge.
- It is difficult to gauge how much of the improvement in macroeconomic indicators is due to improvement in the national economy and how much is due to proactive economic development initiatives such as the NEI.
- However, in conjunction with other data, such as the grant-specific information, certain deductions about the “big economic picture” can be made with a greater level of confidence.

Grant & Grantee Composition

Since NEI began in 2008, through the end of 2014, \$87,583,741 in funds had been awarded to 186 grants. Of these grants 46% (86 out of 186) are open and active, and are 35% (\$30,930,383) of the total funding awarded thus far.



Emphasis Areas

As noted previously in the program focus section NEI grants are now put into 6 emphasis areas: Connection, Idea, Investment, People, Place, and Tool grants. Of the total grants funded by NEI thus far, 37% (68 out of 186) are Tool grants and have been awarded the most, at slightly over 34.8 million (40% of total awarded funds); followed by Investment (23%), Connection (18%), Idea (10%), People (7%), and Place (6%) grants (See figure 10.). Although, Place grants had the least number of grants funded (11 out 186), they are the second highest awarded thus far, at almost 17.8 million (20% of total awarded funds); followed by Investment (18%), Idea (10%), People (9%), and Connection (3%) grants. (See figure 10).

However, a majority of the NEI grants are closed (54%), with a majority of awarded funds (65%) having been awarded to these grants (slightly over \$56.6 million), and are no longer active (See figure 11.). So whereas tool grants have the highest number of grants awarded, and have been funded the most thus far, Investment grants currently have the most open and active grants at 39 out of 86 (45% of open grants) and have 39% of awarded funds being actively used, at slightly over \$12 million (See figure 11.).

Figure 10. Total grants awarded by emphasis area

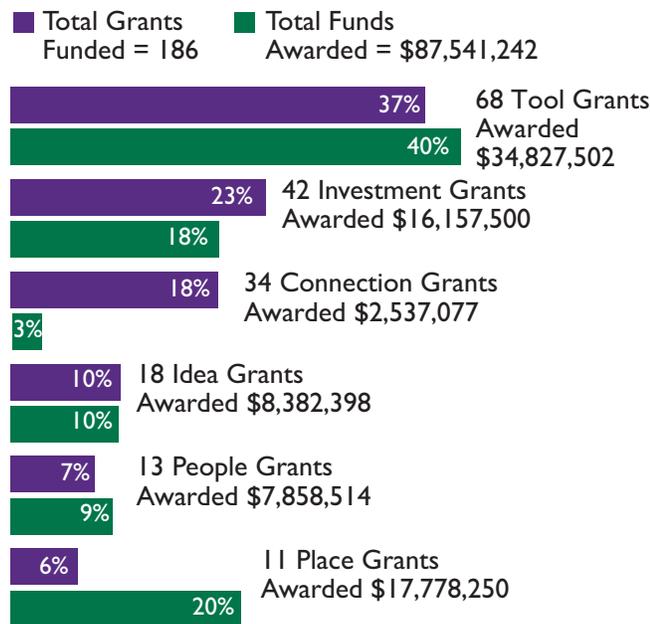
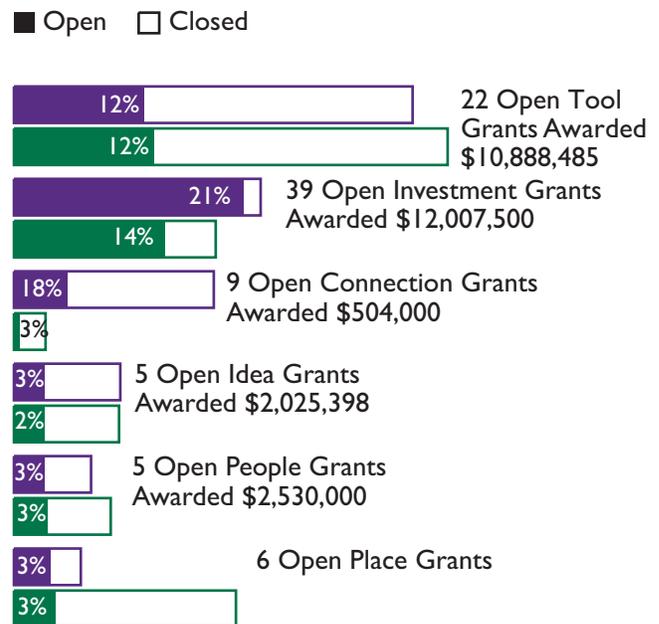
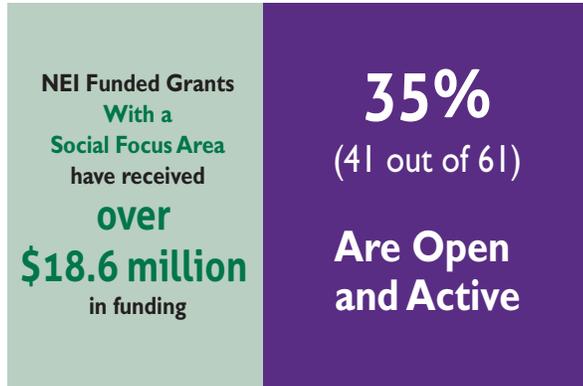


Figure 11. Open and active grants by emphasis area



► Social Equity Focus Areas

As mentioned earlier, grants who have specific underserved target populations as their focus, are placed into what, NEI refers to as “social equity focus” areas. There are five “social equity focus” areas: immigrant, low education, low income, minority, and women; and grants may be placed into more than one area depending on their target populations. Of all grants funded thus far, 33% (61 out of 186) have one or more underserved target population that their programs are focused on.



Over half (54%) of these programs are Investment grants (33) followed by Tool (15), Idea (5), People (4), Connection (3), and Place (1) grants (See figure 12.). These programs have collectively received 21% of all NEI funding at \$18,639,675 and 67% (41 out of 61) are currently open and active.

Twenty-two percent (22%; 42 of 186) of all NEI funded grants were focused on serving minorities of which 31 are open and active; followed women focused grants (19%) with 29 open, low income

focused grants (14%) with 23 open, and immigrant focused grants (10%) with 8 open. There were only 2 low education focused grants, which was only 2% of all grants funded and are both closed (See figure 13.).

► Geographical Focus Areas

Along with the different emphasis and social equity focus areas, grants are also grouped by geographical focus areas. As stated earlier, NEI was created to support diverse development efforts that are focused on Detroit and the Southeast Michigan region, therefore grants are also grouped by geographical focus; Regional or Detroit-Centric. Of NEI grants funded thus far, programming by geographical focus area are almost equal with 49% (91 out of 186) being Detroit-Centric and 51% (95 out of 186) being Regional focused programs. However for total awards funded, Detroit-Centric programs are almost twice that of Regional programs at \$55,855,145; 64% of all awards funded thus far (See figure 14.). Sixty-seven percent (67%; 61 out of

Figure 12. NEI grants with a social focus area by emphasis area

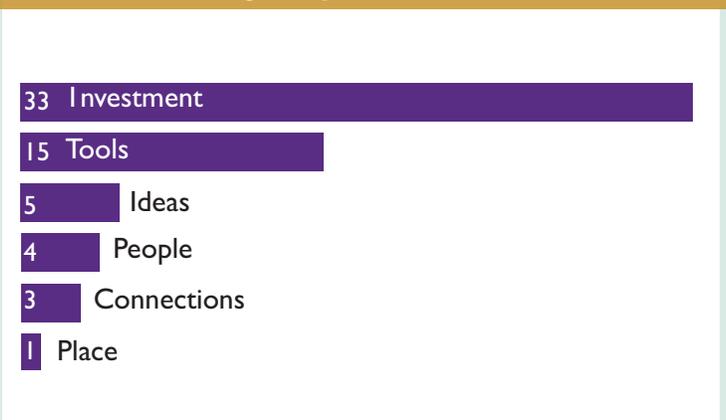
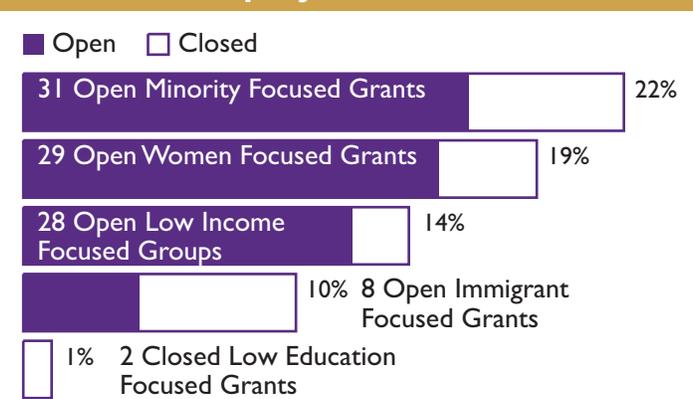


Figure 13. Open and closed grants by social equity focus area



91) of Detroit-Centric programs are open and active, whereas only 26% (25 out of 95) of Regional focused programs are currently open and active.

When looking at the distribution of the geographical focus areas by emphasis area, we see that all Investment and Place grants are Detroit-Centric; whereas, the majority of People (72%), Connection (74%), Tool (72%), and Idea (61%) grants are Regional focused grants (See figure 15). Although, both Investment and Place grant are exclusively Detroit-Centric, Investment grants are almost half of all Detroit-Centric grants at 46% (42 out of 91). Followed by Investment grants are

Tool grants at 21% (19 out of 91), after which come Place grants with 12% (11 out of 91) of all Detroit-Centric grants (See figure 16.). Tool grants are more than half of all Regional focused grants at 52% (49 out of 95), followed by Connection grants at 26% (25 out of 95), Idea grants at 12% (11 out of 95), and People grants at 11% (10 out of 95).

Figure 15. Percent of emphasis areas by geographical focus areas

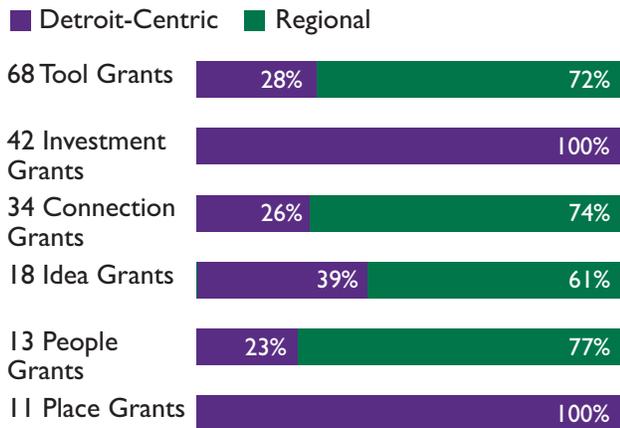
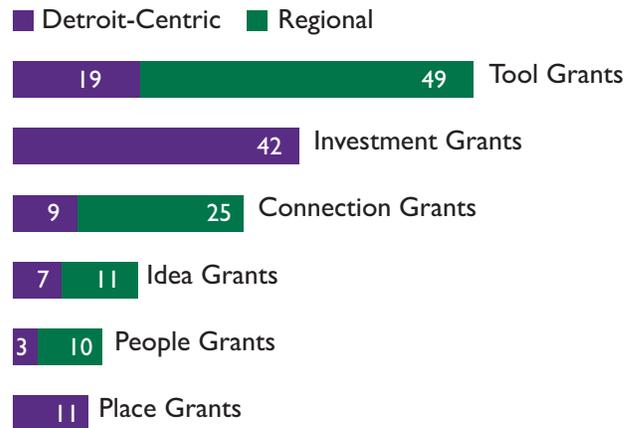


Figure 16. Number of emphasis areas by geographical focus areas

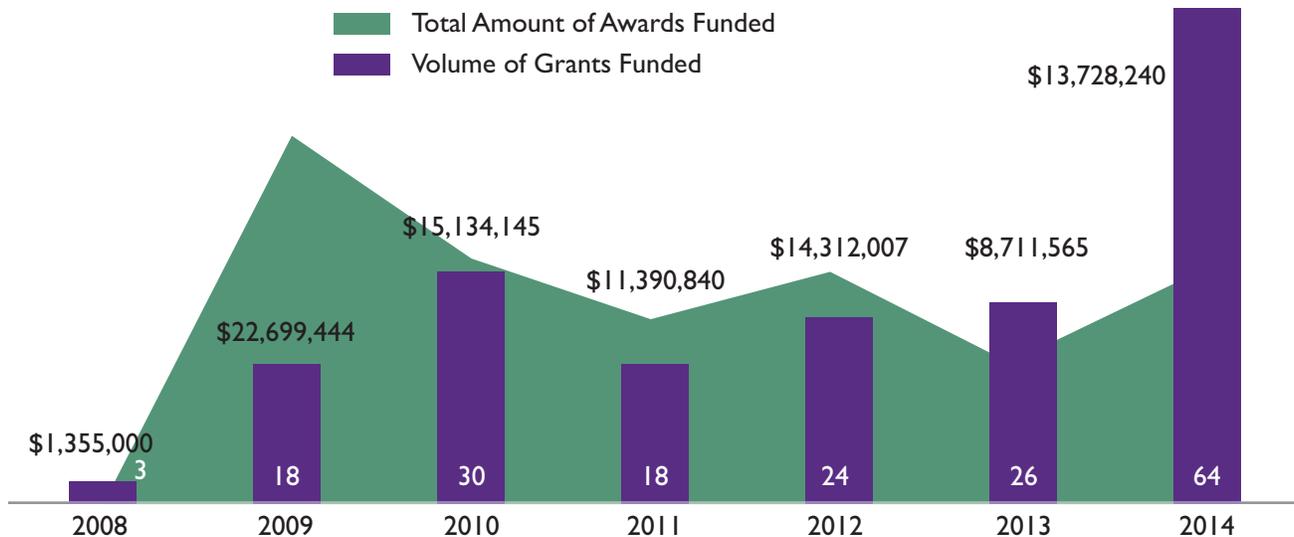


Impact Snapshot

With slightly over a third of the NEI grants still open and active, and many grantees starting new or expanding current programs into new neighborhoods, their impact will not be able to be fully assessed for several more years. However, based on grantee self-reported metrics and outcomes, we can assess immediate NEI funded program outcomes, begin to see overall themes and trends, and foresee possible future collective impact. The following is an overview of grantee self-reported metrics, including: overall totals, 2014 year-end totals, and trends from 2008-2014 with demographics breakdowns for select metrics.

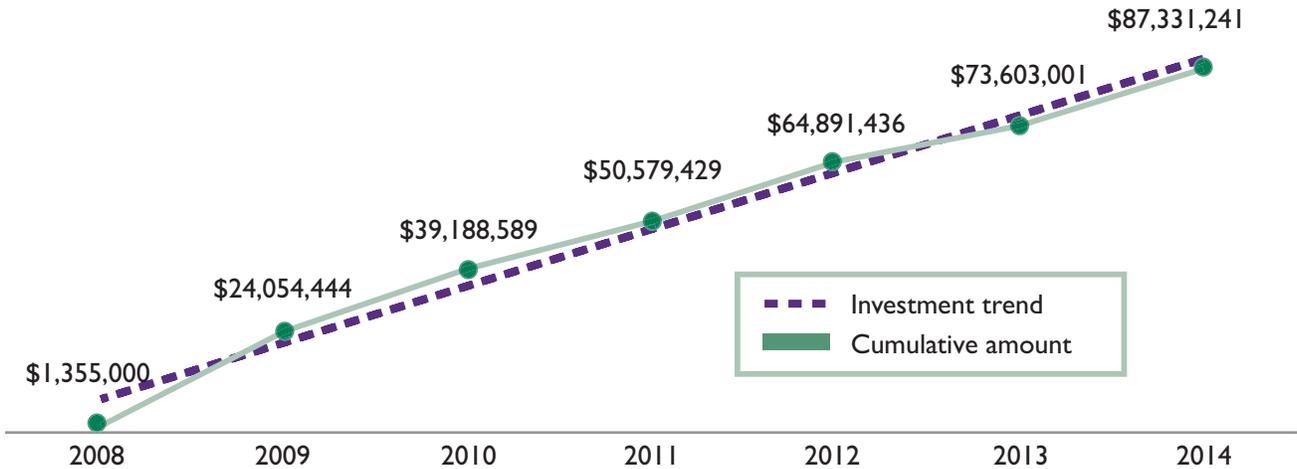
Awarded Dollars

Figure 17. Volume of grants funded by total award



As noted earlier, NEI has awarded over 180 different grants at over \$87.5 million. In 2014, NEI granted the highest number of grants out of all years, at 34% of all grants funded (64 out of 186); more than tripling the number of grants funded in previous years (See figure 17.). As far as the NEI grant investment trend, NEI's funding efforts have continued to steadily increased over the years starting at just under \$1.4 million in 2008 to the over \$87 million as of this year (See figure 18.).

Figure 18. NEI grant investment trend: cumulative funds awarded



Dollars Leveraged into the Entrepreneurial Ecosystem

As of 2014, over \$610.6 million has been leveraged into the entrepreneurial ecosystem due to almost \$229.2 million in program match dollars by NEI grantees and almost \$381.5 million of investment capital received by grantee clients, with almost \$116 million being from 2014 alone (See figure 19.). During NEI's first year, in 2008 there were no leveraged dollars and in 2009 only grantees were able to leverage dollars for \$71.8 million in program match dollars. However, from 2010 to 2014 both program match dollars and investment capital were put into the ecosystem, with a majority of those monies being from investment capital received by clients (See figure 19.). Overall, the trend shows that dollars leveraged are steadily increasing overtime (See figure 20.). From 2009 to 2014, there has been a total of 780 companies who received investment dollars of which 134 were in 2014 (17% of all companies who have received investment capital). Of all the business owners who received investment capital from NEI grantees, a reported 5% were given to underserved populations, with 3% (\$9,723,234) going to women owners, 1% (\$5,118,154) going to minority owners, and slightly under 1% (\$2,676,470) going to immigrant owners.

Figure 19. Cumulative dollars leveraged: program match dollars and investment capital received trend

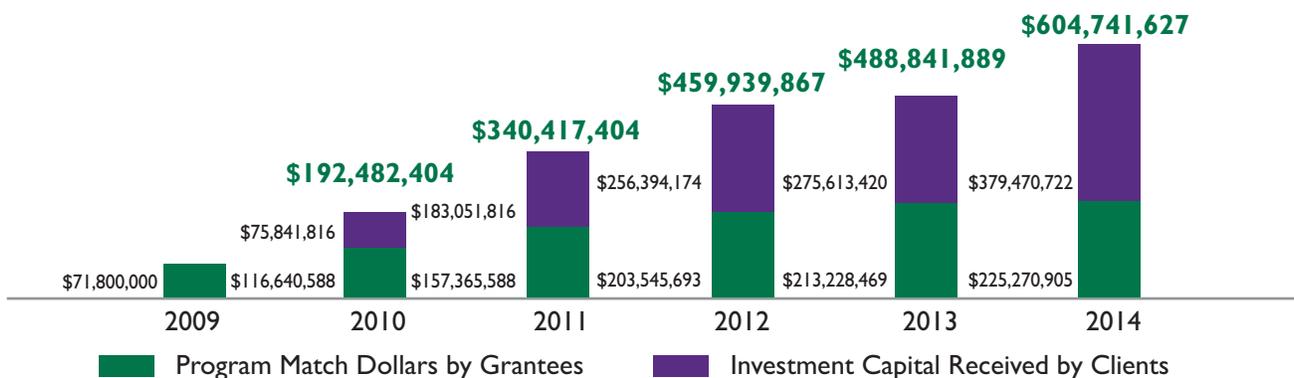
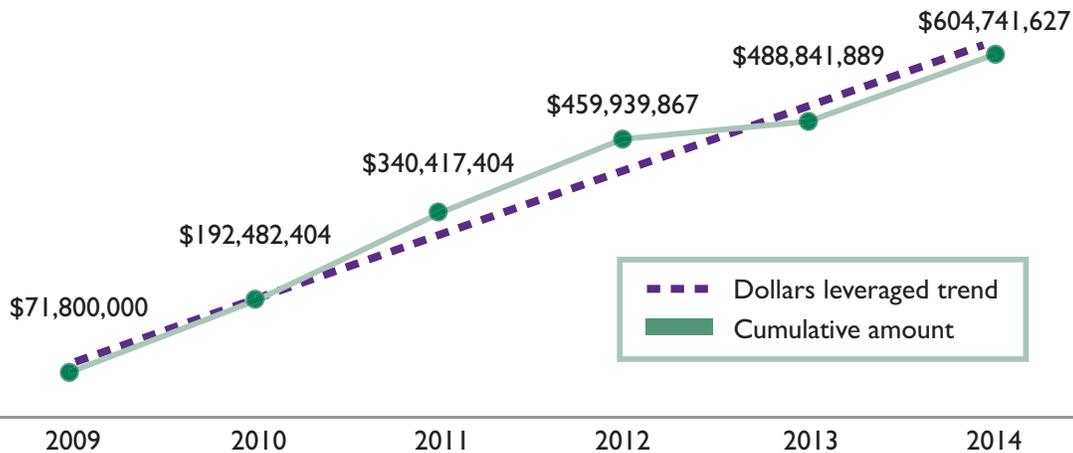


Figure 20. NEI dollars leveraged trend: cumulative dollars leveraged



► People & Companies Exposed to & Receiving Entrepreneurial Services

There was a total of 1166 events and 280 programs funded by NEI from 2012 to 2014 exposing over 138,000 reported people to entrepreneurial services. Five hundred twenty four (524) events and 56 programs happened during 2014, exposing over 81,500 people (59% of all people) alone. Beyond people being exposed to entrepreneurial services events and programming, there have been over 5 million web hits to grantee websites and over 6,000 online users of software platforms created by grantees. This suggests the NEI funded programs are reaching a large and broad range of people via various means. Furthermore, over 2000 companies received assistance from grantees, with 1407 of those companies receiving those services during 2014. Of the companies who received assistance 25% (517) were minority owned followed by 18% (363) being woman owned, 17% (352) being Detroit-Based companies, and 8% (156) being immigrant owned (See figure 21.).

In terms of direct services there have been, 7,942 reported entrepreneurial clients served by NEI grantees from 2012-2014; with over 4,150 (52%) being served in 2014. Of all entrepreneurial clients served during 2012-2014, 23% (1,806) were minority owned companies followed closely by women owned companies at 22% (1,776) and Detroit-Based companies at 17% (1,337); however, only 2% were immigrant owned companies (191) (See figure 22).

Figure 21. Underserved population owned companies assisted

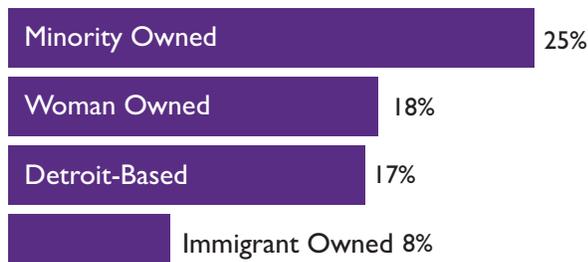
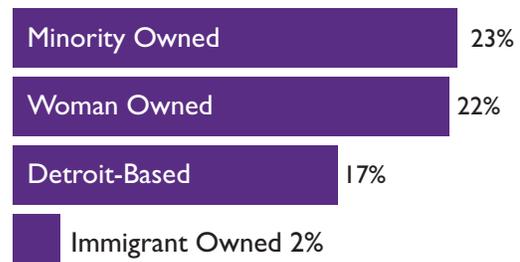


Figure 22. Underserved population entrepreneurial clients served



▶ New Enterprises/Companies Created

Over 1,330 new enterprises or companies have been created since 2010, of which 491 were created during 2014, and the trend shows steady increasing job creation. Although, 2014 yielded 37% of all companies created due to NEI funding, the largest boost in enterprise creation was in 2012, with 582 out of a cumulative 661 companies created, 44% of all companies created thus far (See figure 23.). Of companies created thus far, 437 (33%) were minority owned, followed by 358 (27%) woman owned, 207 (15%) were Detroit-Based, and 93 (7%) were immigrant owned (See figure 24.).

Figure 23. NEI enterprises created trend: cumulative enterprises created

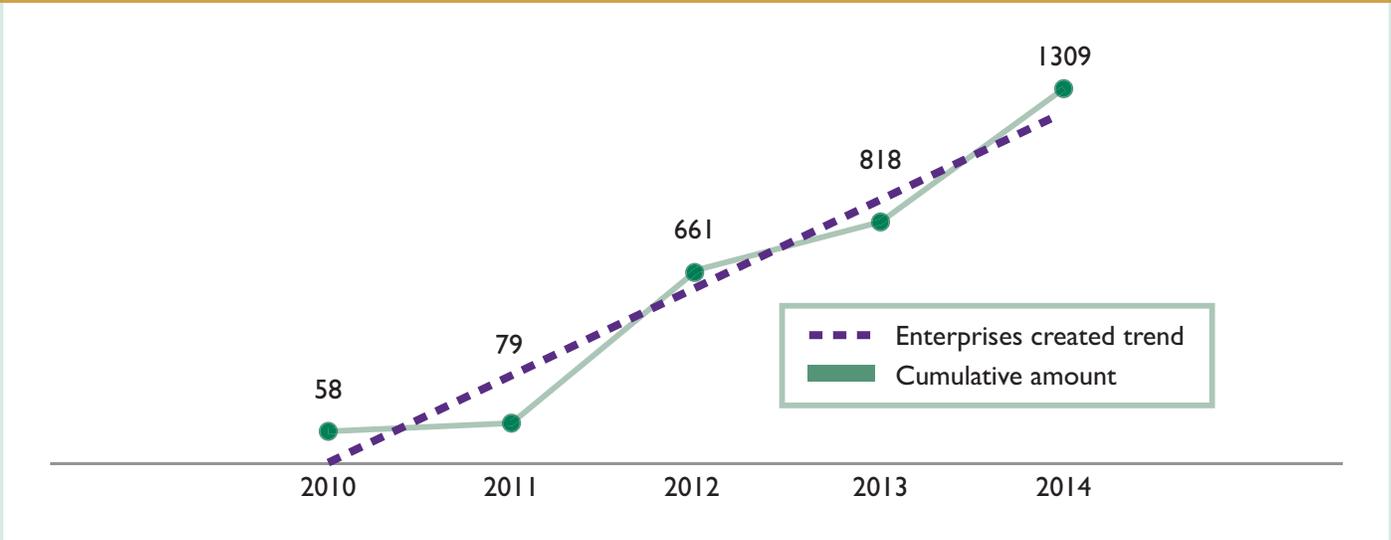
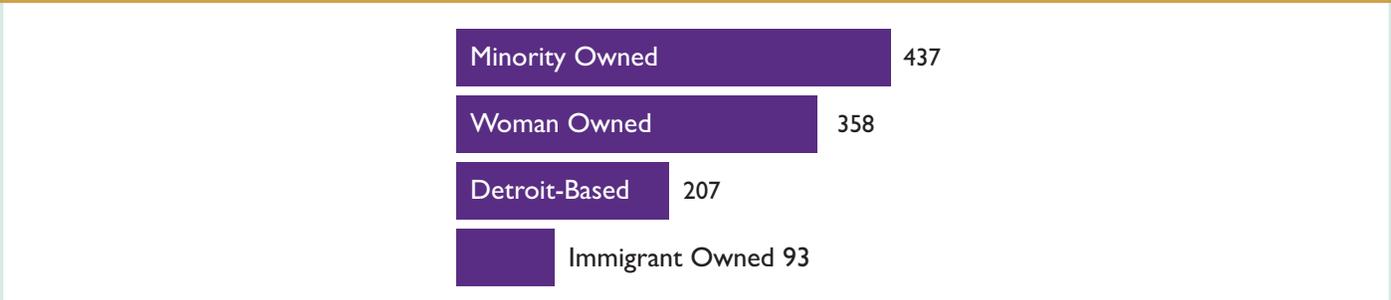


Figure 24. Companies served – underrepresented populations 2010-2014



▶ Total Jobs Created and Revenue Generated

NEI grantees reported over 14,000 jobs created during 2009-2014; with 4,386 jobs created in 2014 and the trend shows that jobs creation has steadily increased throughout the granting period (See figure 25.). Over 68.2 million in revenue has been generated from 2011-2014, with 2013 yielding the largest amount of revenue at over 31.7 million out of a cumulative 61.7 million, with the trend also showing a steady increase (See figure 26.).

Figure 25. NEI jobs created trend: cumulative jobs created

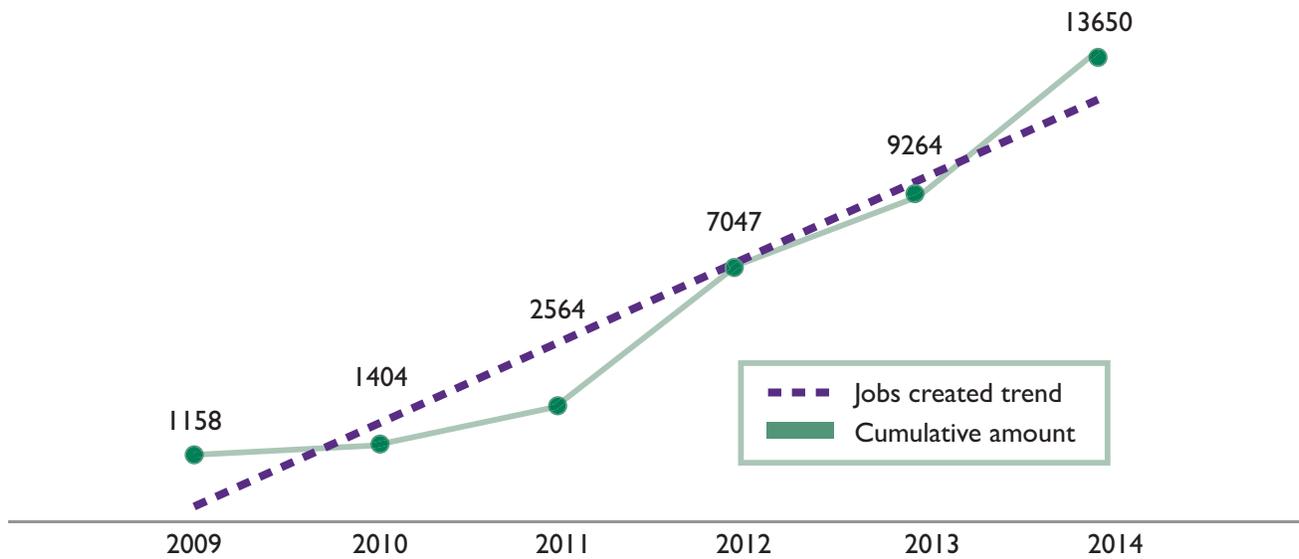
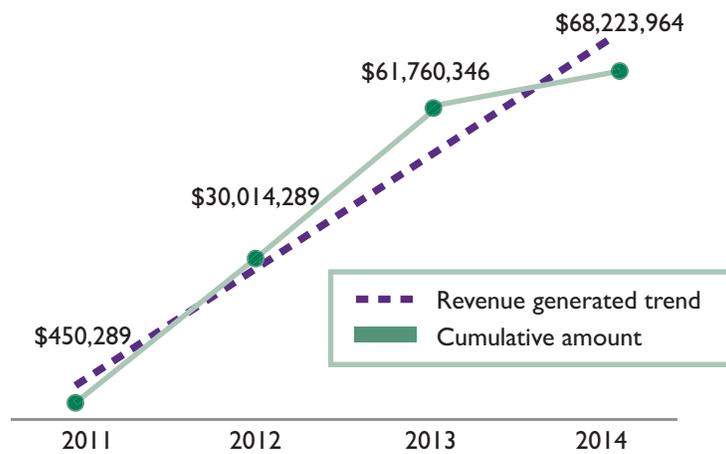


Figure 26. NEI revenue generation trend: cumulative revenue generated



▶ Total Licenses, Disclosures, and Patents

Since the beginning of the NEI funding period, there have been over 18 new licensing deals, over 200 new technology/invention disclosures, and over 470 new patents (See figure 27.).

Figure 27. New Licenses, Disclosures, & Patents from 2008-2014



► A. Grant Performance Network

A confluence of factors led the NEI staff to consider the creation of an online database. Not only is technology getting more robust and price efficient, but the volume of evaluation data being captured and the complexity of the questions being asked of the initiative is increasing exponentially with each grantee added into the process. In 2012, Spring Management Systems began the development of a system, the NEI's Grant Progress Network (GPN). Since then, it has developed into a robust database with a user friendly interface for NEI grantees and staff.

► GPN interface provides

- Streamlined reporting and communication with the grantees
- Easy two way communication between the grantees and the NEI
- Easy access to key grantee organization information such as financials and budgets
- Access to media and communication data such as logos, board lists, and staff biographies
- Data capture that ranges in scope from the individual grantee to the complete initiative
- Organizational and grant data for all NEI grants (closed and open)
- Outcomes and measures data for NEI grants
- Streamlined management of the activity and adherence of each grantee
- Reports and downloads for increased efficiency
- More simplified transition of grantees between NEI staff

Key features of the GPN system include global messaging of grantees, document/image uploads, auto-notification for report submissions, grantee to-do lists, customized milestone and metric menus, data exporting and preliminary reports, online assistance and event tracking. The GPN database has been populated with all of the earlier available grantee reporting so that all of the data included in key reports such as the flash report are current. The system currently houses data for 56 grantee organizations and 130 grants. All NEI grantees have been introduced to the system and are learning how to provide their data/reporting.

Phase II of the GPN project created a more robust engine with expanded reporting capabilities and trend analysis to inform NEI fundraising and reporting. Many of the new reports focus on compliance (close out, metric menus, NEI spend, equity impact) whereas other demonstrate developments in the grants/data (grant maturity level, funds awarded trending with program match dollars, new capital investment trends etc.). All of the reporting downloads can be found in the appendix of this report. As often as practical, the data was provided graphically in both the dollars spent and the volume of grantees.

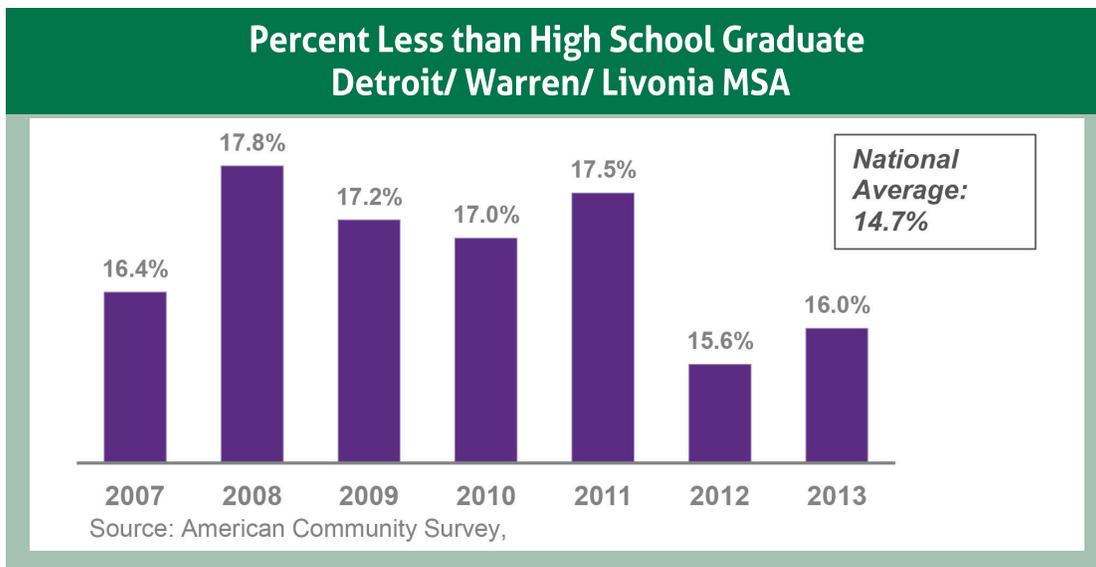
► B. Comprehensive Macroeconomic Analysis

In addition to the grant-specific metrics that the NEI has been tracking, the initiative has also been tracking various macroeconomic indicators to obtain a broad strokes view of how the region is doing in its entirety. Sixteen economic indicators have been used including: high school graduation; achievement of a bachelor's degree for two age cohorts and for both the Detroit/Warren/Livonia metropolitan statistical area (MSA) and the City of Detroit; the male/female higher educational attainment for the same regional categories; college enrollment for two age cohorts and the two regions; per capita income for five racial/ethnic categories; employment levels and the unemployment rate; the online job posting numbers and top 10 job posting categories; and the poverty rate. For the vast majority of these sixteen indicators, the data goes back to 2007 and covers the Detroit/Warren/Livonia MSA although a few indicators also have data for the City of Detroit.

As is true for most economic indicators across the country, the past couple of years have seen significant improvement. This is good news after a particularly harsh and prolonged recession. The improvements do, however, make it difficult to say with certainty how much of that improvement would have occurred in course with the national recovery and how much of it occurred due to proactive, economic development interventions (such as the NEI). This problem of “attribution” is a common one in economics and is not necessarily solvable. However, in conjunction with other data, such as the grant-specific information, certain deductions about the “big economic picture” can be made with a greater level of confidence.

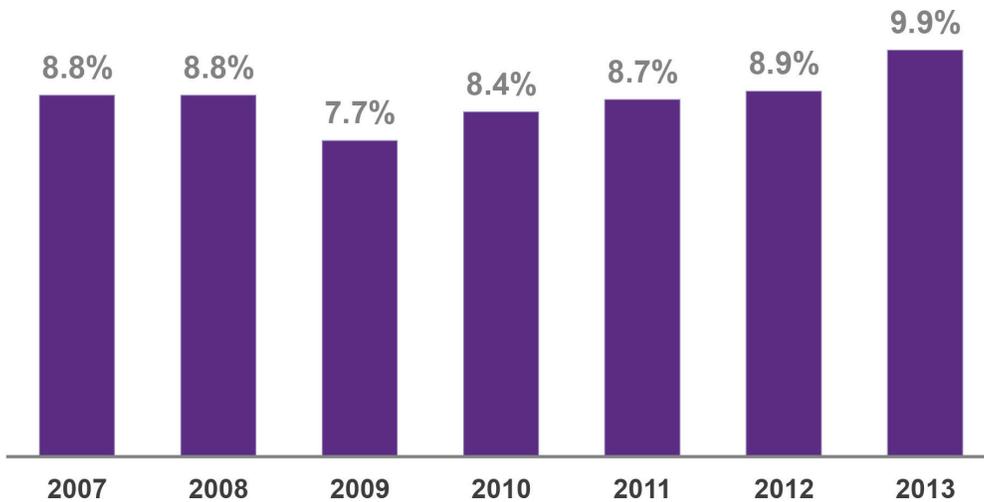
► Educational Attainment

From 2011 to 2012, there was a favorable decrease in the percentage of young residents within the Detroit/Warren/Livonia MSA who were less than a high school graduate from 17.5% to 15.6%. This appeared to be a favorable trend although this percentage unfortunately edged up again in 2013 to 16% from 15.6% in 2012. The national average in 2013 was 14.7% so this region is still significantly above the national average with respect to the proportion of the population with less than a high school diploma.



In looking at higher educational attainment by age group it is important to note that the percentages for the younger group, the 18-24 year olds, is low simply because it captures those residents who are currently enrolled in college, typically the 18-22 year olds, the recent graduates who finish their degrees within four to five years, typically the 22-24 year olds, as well as those not at all enrolled in college. Ideally, the data from the American Community Survey would separate out these groups such that the measurement of higher educational attainment would begin at age 22. The data is not collected and represented this way so using this entire, younger cohort (18-24) is the most accurate proxy for “on time” graduation and degree attainment. Mapping trends in this younger group can still be informative.

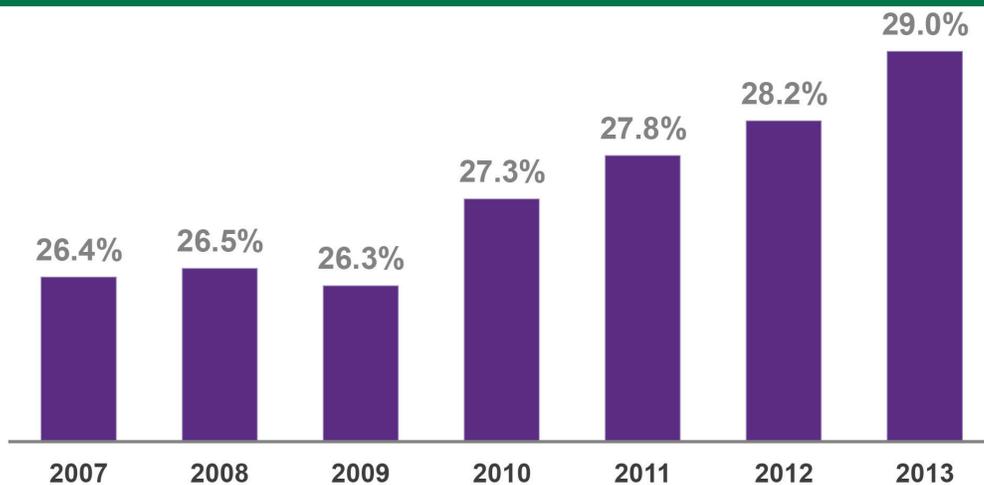
Percent Bachelor's Degree or Higher, Ages 18-24 Detroit/Warren/Livonia MSA



Source: American Community Survey, 2013

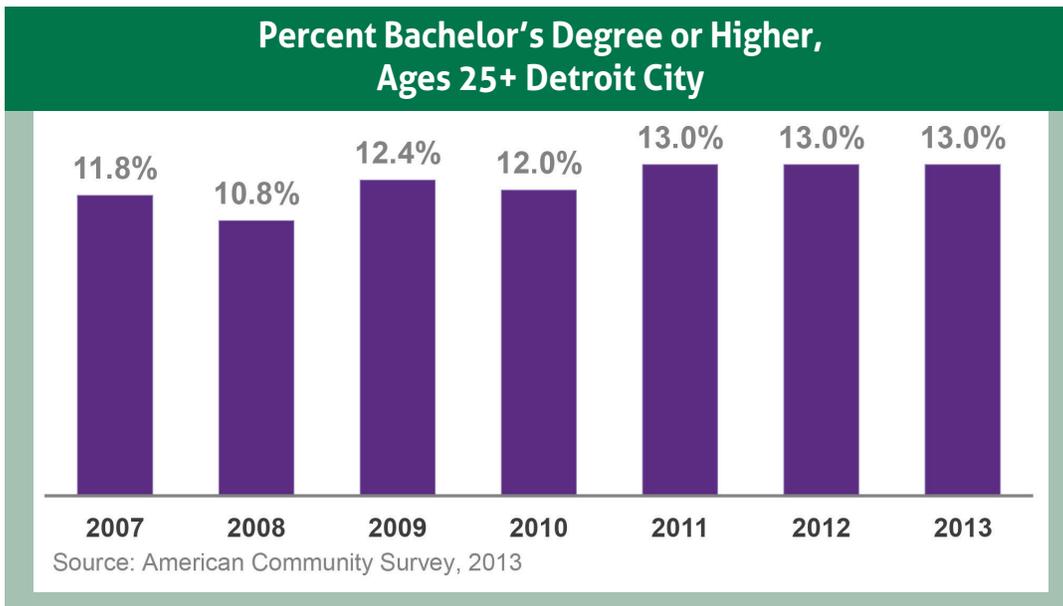
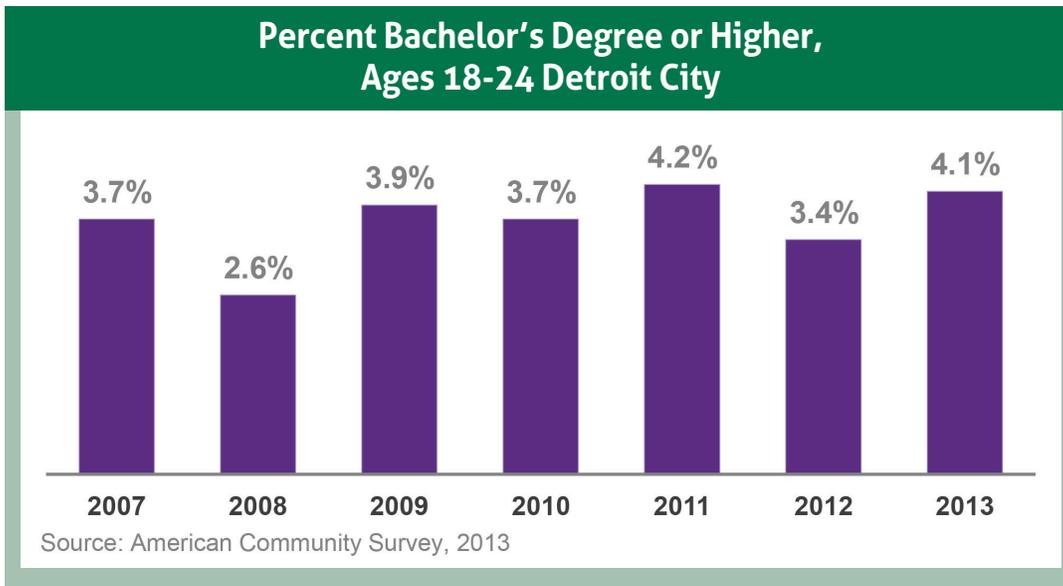
The percentage of Detroit/Warren/Livonia population ages 18-24 who did obtain a bachelor's degree or higher did increase from 2012 to 2013 quite significantly from 8.9% to 9.9%. The lowest level for this metric was in 2009 at 7.7%. In fact, many of the macroeconomic indicators were at their lowest point in 2009. For the older cohort, ages 25 and up, there was also an increase in the percentage with a bachelor's degree or higher: from 28.2% to 29%. There has been a general upward trend since the 2009 low of 26.3%.

Percent Bachelor's Degree or Higher, Ages 25+ Detroit/Warren/Livonia MSA



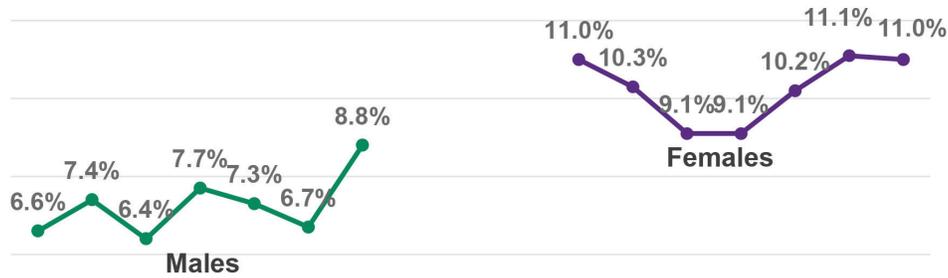
Source: American Community Survey, 2013

Within the City of Detroit, the younger (18-24) cohort saw an increase in educational attainment from 3.4% to 4.1% from 2012 to 2013. For the older cohort, that percentage has stayed steady at 13% for the past three years (2011 to 2013).



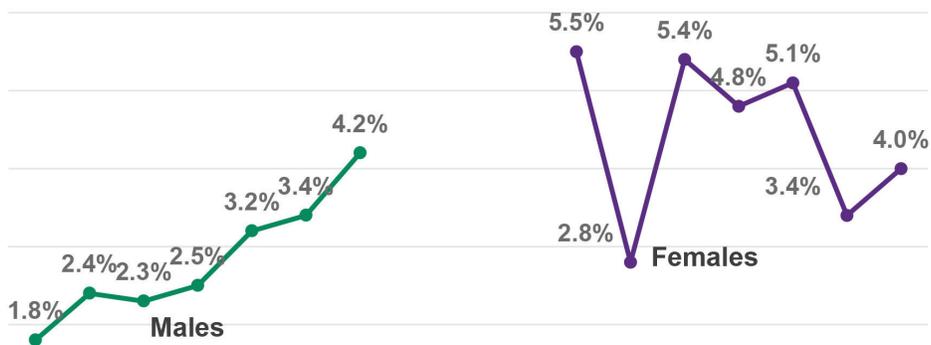
There is an interesting nuance in educational attainment when looking at the data by gender. For the 18-24 year old cohort, females have a significantly higher rate of educational attainment within the Detroit/Warren/Livonia MSA. In 2012 and 2013, approximately 11% of females obtained at least a bachelor's degree, whereas the male attainment rate was only 8.8% in 2013. There was, however, an improvement in male educational attainment from 2012 from 6.7% to 8.8%, which is definitely a positive trend. What is interesting is that for the older cohort, ages 25 and up, this gender differential reverses. Males have a higher attainment level and this has been a trend even during the recessionary period. From 2012 to 2013, males with at least a bachelor's degree went from 29% to 29.7%. For females during that same time period, the rate went from 27.6% to 28.4%. Overall, in the past decade, females have continued to have increases in higher educational attainment whereas male rates have continued to fall. In the Detroit region, however, this trend does not appear to be true for the older ages (25 and up). This perhaps indicates that male residents within the region may have barriers in their younger years that resolve for some as they get older (e.g. into their 20's).

Males/Females 18-24 Years old – Bachelor’s Degree or Higher, Detroit/ Warren/ Livonia MSA 2007- 2013



Source: American Community Survey, 2013

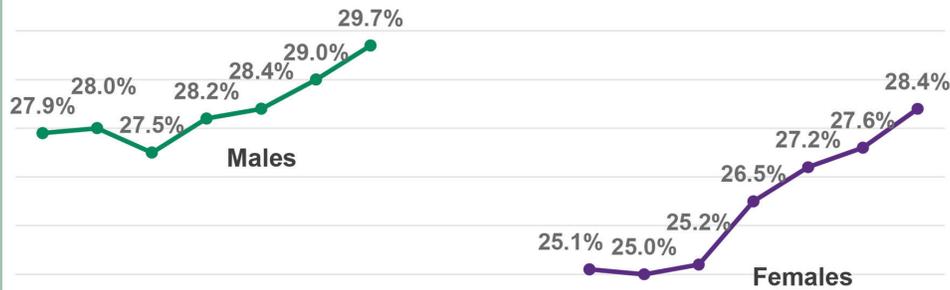
Males/Females 18-24 Years Old – Bachelor’s Degree or Higher, City of Detroit 2007-2013



Source: American Community Survey, 2013

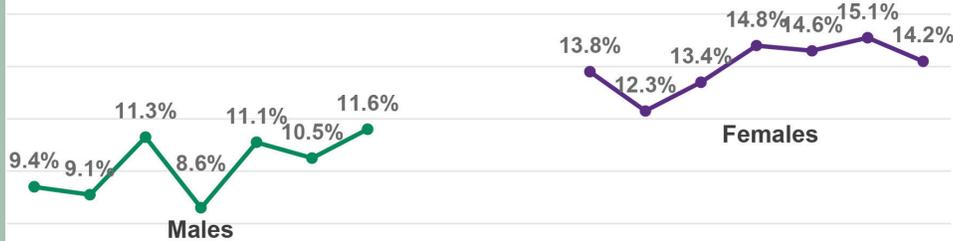
Within the City of Detroit, there also appears to be an increasing trend in the male educational attainment levels particularly since 2010, which is positive. For both the younger and older age cohorts, this is true. For younger females, the educational attainment level does not appear to be following any particular pattern although for the older cohort (25 and up) there is an increasing trend, which again, is positive. Of particular note is the fact that the large difference between male and female attainment levels for the 18-24 year olds that was evident in 2007, is no longer present. In fact, both males and females for the younger cohort have almost the same attainment rate (4.0% and 4.2%). For the older cohort in 2013, females do still outperform males: 14.2% for females versus 11.6% for males.

**Males/Females 25+ Years Old – Bachelor’s Degree or Higher
Detroit/ Warren/ Livonia MSA 2007-2013**



Source: American Community Survey, 2013

Males/Females 25+ Years Old – Bachelor’s Degree or Higher, Detroit City 2007-2013



Source: American Community Survey, 2013

► Enrollment in College/Graduate School

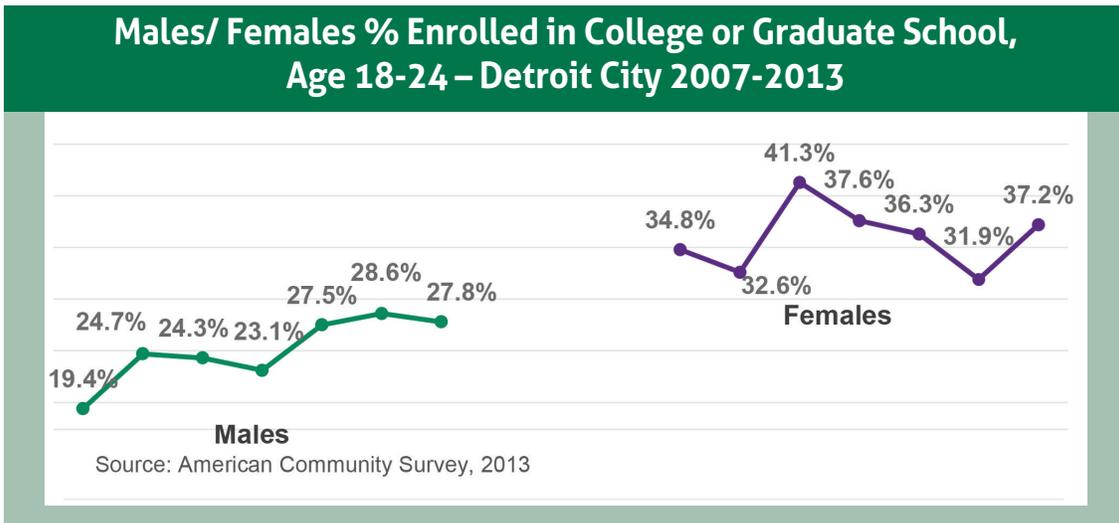
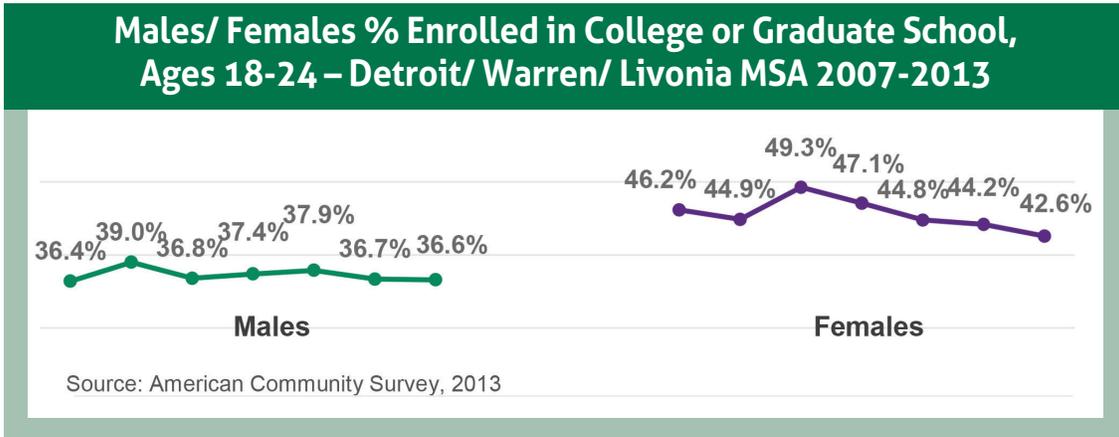
In examining male and female enrollment in higher education institutions it is again evident that the most dramatic impact of the Great Recession occurred in 2009. The greatest gap between male and female college enrollment was in 2009 for both the younger and older age cohorts. Young women in both the Detroit/Warren/Livonia MSA and in the City of Detroit appear to more aggressively pursue higher education when the economy is lagging. Given that economic downturns disproportionately impact minorities, it is possible that female minorities in particular felt the impact of the Great Recession in terms of finding or maintaining employment. This perhaps explains why women had marked increases in college enrollment during the worst time of the recession.

Another important observation is that since 2007, within the Detroit/Warren/Livonia MSA, female enrollment has declined overall from 46.2% to 42.6%. This is a troubling trend although it may be explained by the same logic presented earlier. Perhaps as the job market has improved, young women are opting to work in lieu of attending college or they may just be delaying higher education. Male enrollment in the MSA has held quite steady over the six year period.

Within the City of Detroit, female enrollment has increased significantly in the past year from 31.9% to 37.2%. Overall, since 2007 female enrollment has increased from 34.8% to 37.2%. Of particular note is that the male enrollment rate has increased

steadily and significantly since 2007: from 19.4% to 27.8%. In the past year, however, there was a slight decline in male enrollment as can be seen in the graph (28.6% to 27.8%).

For both the Detroit/Warren/Livonia MSA and the City of Detroit, male and female college enrollment is well below the national averages. The only group that comes close to the national average is the female group within the MSA. In 2013, women in the MSA enrolled at 42.6% and the national average in that year was 46.7%.

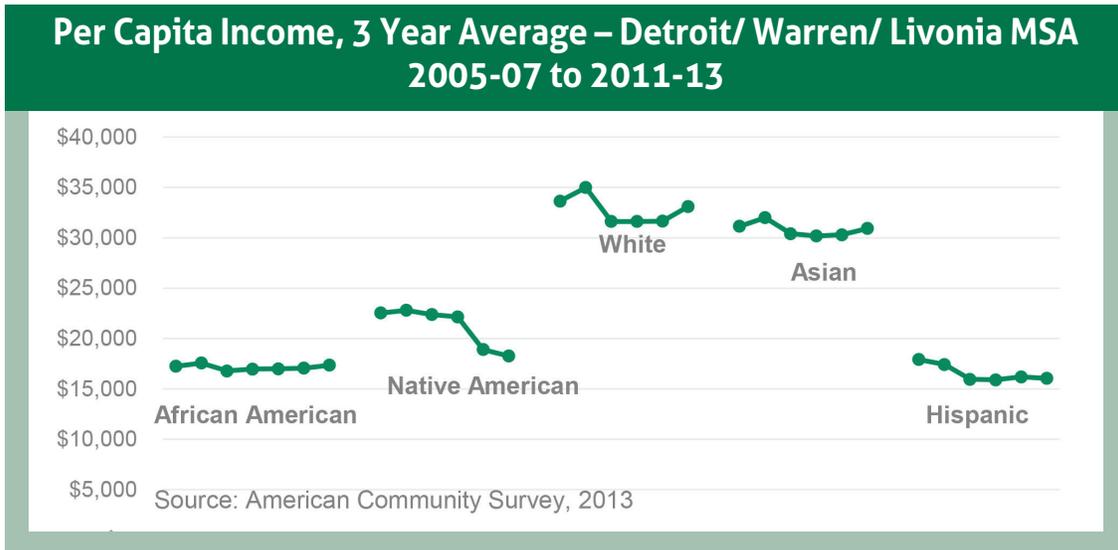


▶ Per Capita Income

Across the nation, there continues to be a challenge in terms of the bifurcation between the wealthy and the poor. This trend is particularly evident within the poorest regions of the United States. On average, in the Detroit/Warren/Livonia MSA, Asians and Whites have per capita income levels approximately double the levels for African-Americans and Hispanics. The most recent, three year averages (2011-2013) from the American Community Survey show that African-Americans had a per capita income of \$17,358 versus Whites who had a per capita income of \$31,790. Hispanics during this time period had a per capita income of \$16,609, which is the lowest of all groups. Native Americans had a precipitous fall in per capita income and they do not appear to be recovering. Their income went from a high in 2006-2008 of \$22,815 to a current, \$18,640 in 2011-2013. These national and regional trends strongly suggest that targeted, social equity initiatives need to be at the forefront of any economic development initiatives. The recovery is not filtering through to at-risk populations, which in the long term reduces the tax base and increases the costs associated with transfer payments (e.g. food stamps, unemployment benefits) and externalities associated with poverty

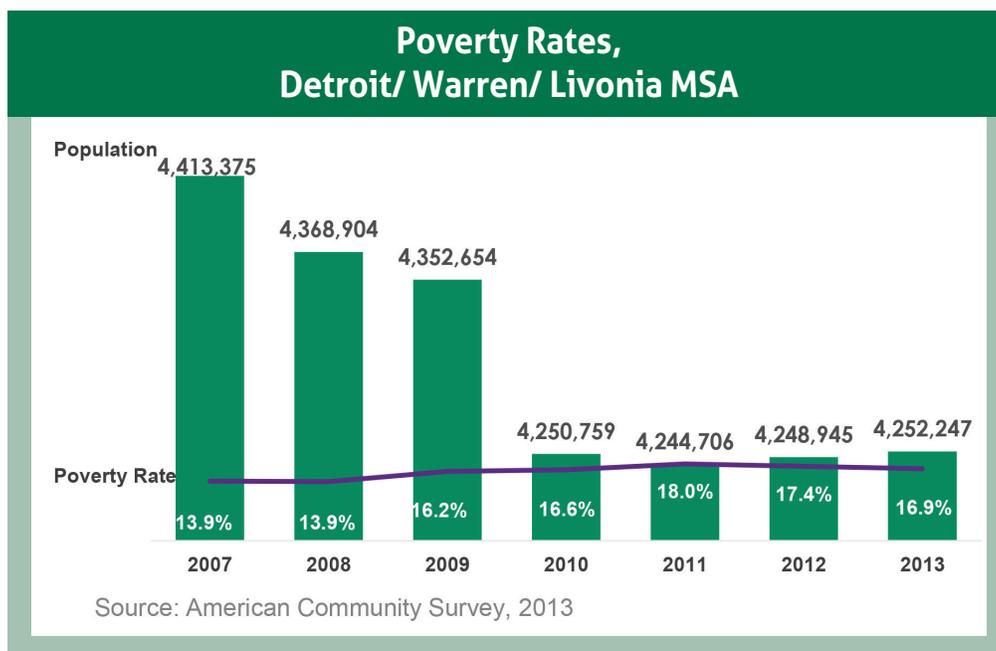
(e.g. poor health status, unsafe neighborhood, increased crime rates). The lower tax base perpetually reduces the quality of schools, which, in turn, further perpetuates the cycle of lower educational attainment and greater poverty levels.

Three year averages are used because one year data does not have a sufficient sample size across all of the racial/ethnic categories. The three year averages provide much more reliable data from the American Community Surveys.



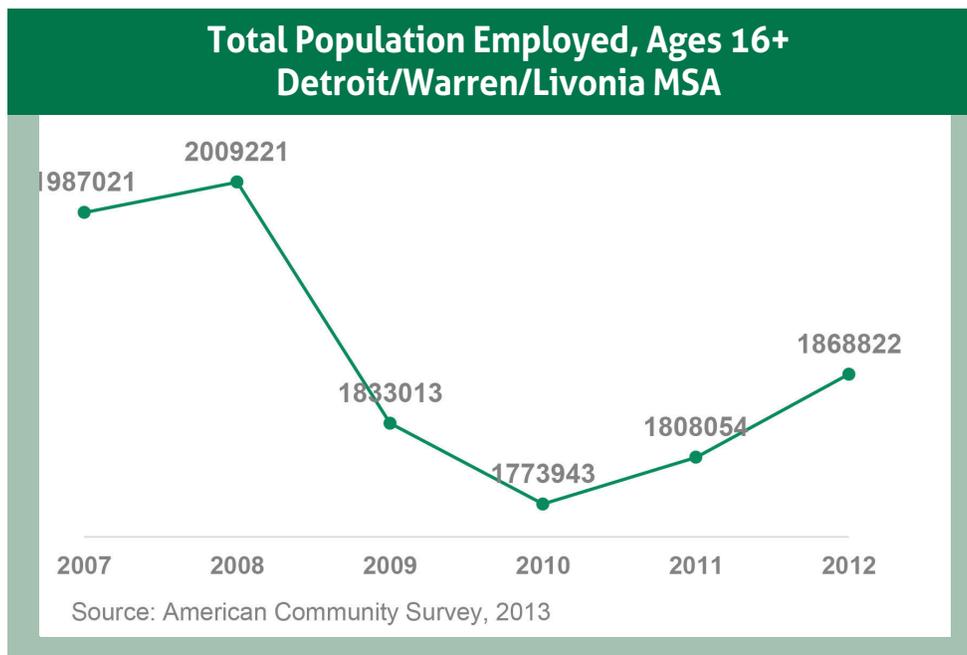
Poverty

Tracking the poverty rate within the MSA is another way to examine socio-economic status. Since per capita income includes all income sources (such as stock dividends for the wealthier populations), looking at another socio-economic metric is useful. As can be seen in the chart, population levels in the region have fallen since 2007 from 4,413,375 to 4,252,247; a decline of 3.7%. The poverty rate during that time has continued to increase indicating that those residents who did choose to stay in the region during the recession saw, on average, further decreases in their income levels. Although poverty rates have fallen since 2011, overall the poverty rate was three percentage points higher in 2013 than it was in 2007 (16.9% versus 13.9%).

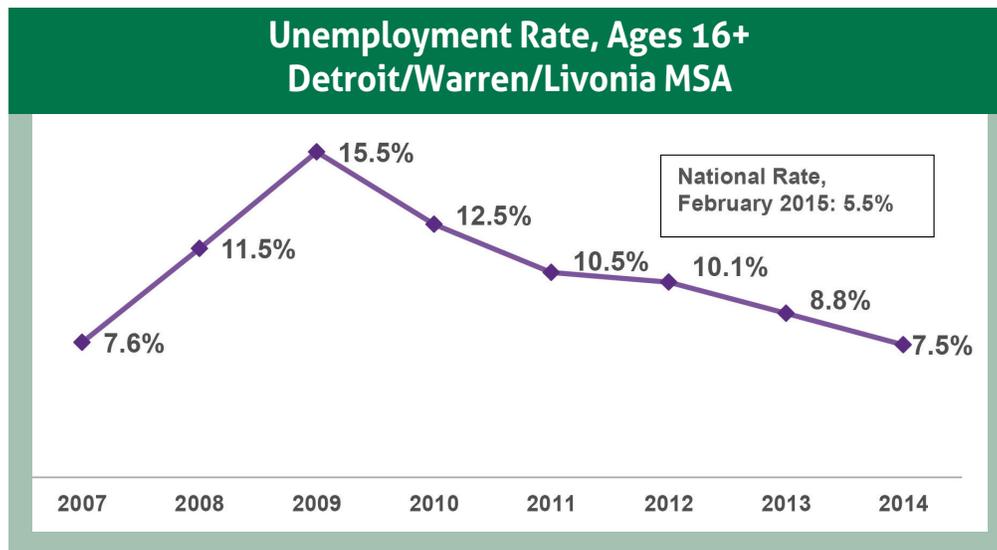


► Employment

Employment levels in the Detroit/Warren/Livonia MSA have been rebounding since 2010 although levels are still well below what they were in 2008. In that year, 2,009,221 residents were gainfully employed and by 2010, only 1,773,943 residents were employed: a 12% decline within two years. There does appear to be a steady upward trend, however: From 2012 to 2013, employment levels went from 1,868,822 to 1,907,552. Whether employment levels return to pre-recessionary number will depend upon various factors including whether some residents who chose to leave the region return, whether some of the at-risk populations who have left the workforce return, and whether employers choose to re-invest in Detroit-based endeavors. Another important factor will be the long-term outcome of entrepreneurial ventures many of which have been funded by the NEI.



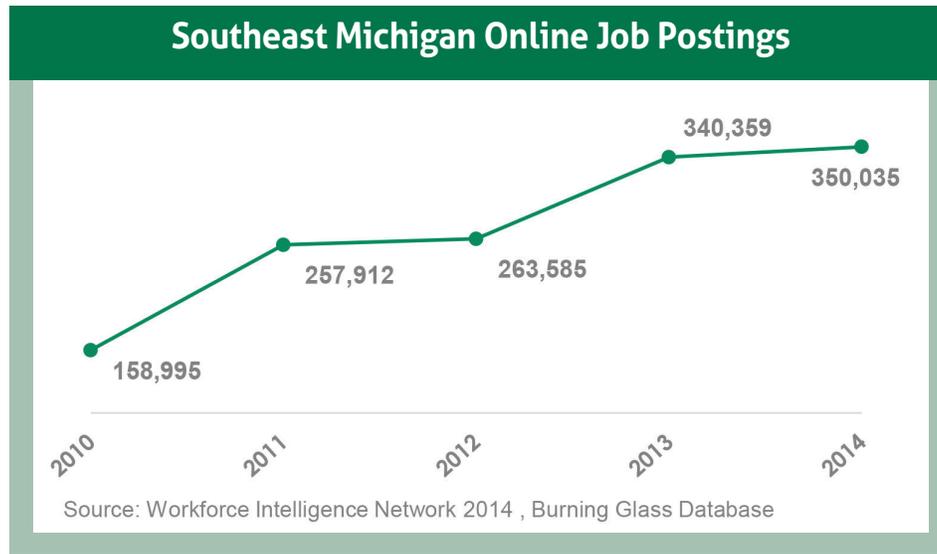
The unemployment rate correlates tightly with the employments levels. The highest unemployment rate within the Detroit/Warren/Livonia MSA was in 2009 at 15.5%. The interesting thing about this very high unemployment rate is that it does not even include all of those individuals who left the workforce because they felt they could not likely find a job or because they felt salaries were so low that the opportunity cost of them working was too high. Recessions always have an increase in the number of workers who choose to exit the workforce all together and this recession, in particular, has created more “disgruntled” workers. The good news is that aside from the persistently low civilian participation rate, the official unemployment rate has now fallen, in 2014, to pre-recessionary levels (7.5% in 2014). The issue now will be how to boost the civilian participation rate. As the labor market continues to improve, the expectation is that there will be upward pressure on wages and that may incite some of the long-term unemployed to return to the workforce. Proper training for displaced workers will be key and that is an area of focus for the NEI.



The Workforce Intelligence Network (WIN), an NEI grantee, gathers labor demand information for the nine-county region of Southeast Michigan including Genesee, Livingston, Macomb, Monroe, Oakland, Shiawassee, St. Clair, Washtenaw, and Wayne counties as well as the City of Detroit. Specifically, WIN gathers online job postings, which correlate well with actual employment levels. The graph below shows that there has been steady growth since 2010 in job opportunities available within Southeast Michigan although the rate of growth appears to be slowing. It is important to note that the unemployment rate in the Detroit/Warren/Livonia MSA is still well above the national average and the number of employed is still well below pre-recessionary levels. Yet, according to the WIN data there appears to be a significant amount of unmet need as represented by the online job postings (350,035 open jobs in 2014). This highlights the importance of closing the skills gap. Economic development initiatives must include strong partnerships with community colleges and universities (such as the NEI has pursued) in order to help properly align curricula, expand internship opportunities as well as facilitate the flow of students to permanent jobs. This is a national issue and is well documented, particularly for the science, technology, engineering and math disciplines. As can be seen from the table below, which highlights the top ten job posting categories, software developers are number one and nurses are number five in the ranking - both STEM disciplines.

According to WIN, the region's top job postings for 2014 were:

- 1) Software developers, applications (13,152 postings)
- 2) Heavy and Tractor-Trailer Truck Drivers (10,429 postings)
- 3) Retail Salespersons (10,296 postings)
- 4) Sales representatives, wholesale and manufacturing, except technical and scientific products (9,118 postings)
- 5) Registered Nurses (9,038 postings)
- 6) First-line supervisors of retail sales workers (6,865 postings)
- 7) Customer Service Representatives (6,773 postings)
- 8) Combined Food Preparation and Serving Workers, Including Fast Food (5,038 postings)
- 9) Mechanical Engineers (4,853 postings)
- 10) Medical and Health Services Managers (4,548 postings)



▶ Conclusion

As stated above, it is difficult to gauge how much of any improvement in macroeconomic indicators is due to improvement in the national economy and how much is due to proactive economic development initiatives such as the NEI. What is true in the Detroit region and in fact, true across many struggling U.S. urban centers is that the lack of educational opportunities and the associated dearth of living-wage jobs is a persistent and stubborn social and economic challenge. Thriving cities create a positive feedback loop where employment opportunities with living wages create socio-economic stability that is sustainable over time. Struggling cities have a negative feedback cycle where employers and higher skill workers have left the region, fewer employment opportunities exist, and the remaining population falls further into poverty. This negative cycle impacts racial/ethnic minorities and women much more so. Initiatives such as the NEI recognize that first and foremost, employment opportunities must return in order for the challenges to be fundamentally addressed. This includes a broad spectrum of programs: everything from re-tooling curricula, increasing internship and employment linkages between training institutions and employers, and helping entrepreneurs start their own enterprises. These changes take time, but they speak to some of the fundamental structural issues that must be addressed if the cycle is to be broken.

C. Open & Active NEI Funded Programs During 2014

CONNECTIONS: Investments to create and promote valuable, sustainable and accessible networks

Name	Description	Geographical & Social Focus Areas
PROGRAMS		
Downtown Detroit Partnership - D:hive	Support to the D:hive for design assistance for entrepreneurs. <u>Goals:</u> 1) To expand the PILOT program; 2) To create foundational identity packages for select BUILD graduates; and 3) To provide office hours type support for developing BUILD companies	<ul style="list-style-type: none"> ▪ Detroit-Centric
Michigan Community Resources	Support for data analysis and program planning for neighborhood entrepreneur and business development programming.	<ul style="list-style-type: none"> ▪ Detroit-Centric
PolicyLink - Equitable Innovation and Entrepreneurship	Support in advancing equitable innovation and entrepreneurship.	<ul style="list-style-type: none"> ▪ Regional ▪ Immigrants ▪ Minorities ▪ Women
The Greater New Orleans Foundation	Support to fund the City of Detroit's participation in a multi-city cohort led by Forward Cities that will collaborate and share best practices for developing effective entrepreneurial ecosystems <u>Goals:</u> 1) Strengthen networks and accelerate entrepreneurial activity within the participating cities, and their surrounding areas; 2) Foster best practice sharing, relationship building, and entrepreneurial activity among the participating cities, and their surrounding areas; 3) Identify ways to develop/support innovative change-makers and business entrepreneurs from low income communities of color, in addition to ensuring that there is a vibrant pipeline for the next generation of local entrepreneurs and citizen problem solvers; and 4) Serve as a dynamic knowledge resource for others that are looking to build out their innovation ecosystems.	<ul style="list-style-type: none"> ▪ Detroit-Centric
The Henry Ford Salons	Support to develop and present an inaugural speaker series on innovation for Innovation Network grantees and local and national leaders was approved. <u>Goals:</u> 1) To plan and implement the inaugural series of Innovation Salons; 2) To bring members of the Innovation Network together with local, national, and international innovators; 3) To explore and expand the definition of innovation in Southeast Michigan	<ul style="list-style-type: none"> ▪ Regional

COMPETITIONS

MiQuest	Support for the 2014 Great Lakes Entrepreneurial Quest Business Plan Competition	<ul style="list-style-type: none"> ▪ Regional
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SPONSORSHIPS

Automation Alley Fund Awards Gala	Support for the Automation Alley Gala Awards for the recognition of leaders in technology in Southeast Michigan.	<ul style="list-style-type: none"> ▪ Regional
Funders Network for Smart Growth and Livable Communities	Support for the annual membership to the Funders Network for Smart Growth and Livable Communities.	<ul style="list-style-type: none"> ▪ Regional
Philanthropy for Active Civic Engagement	Support for the annual membership to the Philanthropy for Active Civic Engagement.	<ul style="list-style-type: none"> ▪ Regional

IDEAS: Investments instigating new ideas and helping ideas come to market

PROGRAMS

AutoHarvest Foundation	Support for the development of a web based tool to connect entrepreneurs to intellectual property developed by the automotive and advanced manufacturing industries. <u>Goals:</u> 1) Provide users and members with a valuable ecosystem of industry level opportunities and resources that enable entrepreneurial and corporate growth; 2) Refine the user interface to streamline the user interface and make more visually welcoming; and 3) Bring in more members and users by targeting entrepreneurs, recent graduates, investors, small companies, large companies, federal labs, and universities	<ul style="list-style-type: none"> • Regional
Wayne State University - Technology Development Incubator	Support for the expansion of the Technology Development incubator, Innovation Fellows program and infrastructure support <u>Goals:</u> 1) Improve technology transfer program and process at WSU; 2) Increase amount of licensable IP from WSU; and 3) Create spin off companies resulting from WSU licensed IP	<ul style="list-style-type: none"> • Regional
Wayne State University - The Front Door	Support for phase 2 of The Front Door, a business engagement center that improves university connections to industry for greater market-driven technology commercialization results be approved. <u>Goals:</u> 1) Build connections between the business community and the University's network of talent and technology; 2) Engage business and industry to identify needs and opportunities; and 3) Establishing and enhancing faculty-industry connections	<ul style="list-style-type: none"> • Detroit-Centric

IDEAS: Investments instigating new ideas and helping ideas come to market

Name	Description	Geographical & Social Focus Areas
COMPETITIONS		
Detroit Economic Growth Association - NEIdeas Competition	Support to launch a citywide contest in partnership with NEI to energize and expand the culture of entrepreneurship and drive economic growth in Detroit, Hamtramck, and Highland Park. <u>Goals:</u> 1) Strengthen the culture of entrepreneurship in Detroit and highlight entrepreneurship as a viable career path for anyone; 2) Promote equitable and open access to each contest through an extensive community outreach campaign and a low-barrier entry application; 3) Encourage entrepreneurs to utilize NEI ecosystem services.	<ul style="list-style-type: none"> • Detroit-Centric • Minorities • Women
Invest Detroit Foundation - Accelerate Michigan Innovation Competition 2014	Support for the Accelerate Michigan Innovation Competition 2014 to encourage entrepreneur business development and venture capital investment in southeast Michigan. <u>Goals:</u> 1) Highlight Michigan as a venue for innovation and business opportunity Fuel innovation based business growth; and 2) Expose the best and brightest business concepts to potential funding and media attention	<ul style="list-style-type: none"> • Regional

INVESTMENT: Investments in providing access to capital for every stage of ideas and growth

PROGRAMS		
Detroit Development Fund (Shorebank) - Detroit Retail Micro-Lending capital and capacity project	Support to expand micro-lending capital and capacity for retail enterprises in targeted Detroit geographies <u>Goals:</u> 1) Accelerate the rising tide of young, creative entrepreneurial energy to revitalize the city of Detroit; 2) Finance lease-hold improvements, equipment, furnishings, inventory, and working capital needs.	<ul style="list-style-type: none"> • Detroit-Centric
Detroit Midtown Micro-Enterprise Fund Capacity	Support to expand the access of entrepreneurs to small business lending. <u>Goals:</u> 1) Better assist entrepreneurs through financing opportunities; 2) Support women and minority entrepreneurs; and 3) Provide education and tools for new and growing businesses in Southeast Michigan	<ul style="list-style-type: none"> • Detroit-Centric • Immigrants • Low income • Minorities • Women
Invest Detroit Foundation - Detroit Innovate	Support to the Detroit Innovate Fund, a venture capital and venture development organization supporting high growth businesses within Detroit. <u>Goals:</u> 1) Drive new, high potential company formation; and 2) Build the region's entrepreneurial ecosystem	<ul style="list-style-type: none"> • Detroit- Centric • Immigrants • Minorities • Women
Invest Detroit Foundation - Detroit-based High Growth Accelerator	Support to launch a new Detroit-based accelerator and fund to develop high tech and high growth companies within Detroit <u>Goals:</u> 1) Drive new, high potential company formation; and 2) Build the region's entrepreneurial ecosystem	<ul style="list-style-type: none"> • Detroit- Centric • Immigrants • Minorities • Women
Invest Detroit Foundation - First Step Fund	Support for the First Step Loan Fund, a revolving loan pool for emerging and newly-formed small businesses in the region <u>Goals:</u> 1) Address the deficit of financing in the marketplace that is a major impediment to the attraction of new businesses in areas suffering from serious e; 2) Promote jobs creation for unemployed and underemployed residents; and 3) Revitalization of the affected communities	<ul style="list-style-type: none"> • Detroit- Centric

COMPETITIONS

Detroit Economic Growth Association - NEIdeas People Choice Awards	Support to provide awards for publicly selected winners of a citywide challenge in partnership with NEI to energize and expand the culture of entrepreneurship and drive economic growth in Detroit.	<ul style="list-style-type: none"> • Detroit- Centric
NEIdeas 10K	Support for 32 individual small business owners to receive \$10,000 to go toward various business needs such as equipment, labor, and marketing, to improve and/or expand their business	<ul style="list-style-type: none"> • Detroit-Centric • Immigrants • Low Income • Minorities • Women
WSU TechTown - Detroit Soup Program	Support for Detroit SOUP neighborhood micro-granting dinners that support community entrepreneurial projects in Detroit. <u>Goals:</u> 1) To expand its micro-granting crowdfunding dinners into neighborhoods throughout the city of Detroit; 2) To recreate and re-sustain the vibrancy back into Detroit neighborhoods through economic development; 3) To continue to provide opportunities for Detroiters to share in developing their communities and feel a part of doing so allowing one to dig roots into the city.	<ul style="list-style-type: none"> • Detroit-Centric

PEOPLE: Investment in retaining, attracting, and preparing talent for jobs

PROGRAMS		
MSU Global Supply Chain Grant	Support to implement global supply chain job growth strategies in collaboration with the Detroit Regional Chamber and Wayne State University.	<ul style="list-style-type: none"> • Regional

PEOPLE: Investment in retaining, attracting, and preparing talent for jobs

Name	Description	Geographical & Social Focus Areas
PROGRAMS		
MSU - URC Global Talent Retention Initiative (GTRI)	Support to fund the University Research Corridor to connect international students to businesses in Southeast Michigan. <u>Goals:</u> 1) Link international students to employers; and 2) Connect international students to the community	<ul style="list-style-type: none"> Regional Immigrants
SEMCA - Invest Manufacturing Communities Partnership	Support the Workforce Intelligence Network in securing resources to assist in the completion of Invest Manufacturing Communities Partnership (IMCP) application.	<ul style="list-style-type: none"> Regional
SEMCA - Workforce Intelligence Network (WIN)	Support for a regional collaborative of community colleges and workforce boards to create a comprehensive and cohesive system for talent and workforce development. <u>Goals:</u> 1) To establish the Workforce Intelligence Network (WIN), a comprehensive and cohesive workforce and talent system; 2) Refine the governance/oversight model; 3) Develop and implement a public relations event to launch WIN	<ul style="list-style-type: none"> Regional
Venture for America - VFA Fellow Program	Support to provide programmatic structure to the Venture for America Fellows program in Detroit. <u>Goals:</u> 1) Enhance Venture's impact in Detroit and pilot improved structure for the VFA Fellows and members within the growing entrepreneurial ecosystem in Detroit; 2) Equip graduates with the skills and experience needed to build a business of their own or help place fellows in promising start-ups based in Michigan; and 3) Help Detroit companies reverse the brain drain and ensure the success of homegrown ventures to accelerate an innovation-based economy	<ul style="list-style-type: none"> Detroit-Centric

PLACE: Investments in building physical places for ideas to thrive and to help make Detroit and its metropolitan area an ideal location for start-ups and growing businesses

PROGRAMS		
Eastern Market Corporation - Eastern Market Corporation	Support of a Community Kitchen to provide assistance for food entrepreneurs and businesses in metropolitan Detroit <u>Goals:</u> 1) Incubation of New Niche Food Processors; 2) Benefit to Food Access Programs; and 3) Food Nutrition Education & Outreach	<ul style="list-style-type: none"> Detroit-Centric
Edison Welding Institute - Edison Welding Institute	Support to fund the capital expenditures related to the launch of the federally funded Detroit-based lightweight materials innovation institute <u>Goals:</u> 1) Launch facility and 2) Build out facility space	<ul style="list-style-type: none"> Detroit-Centric
Grandmont Rosedale Development Corp	Support operations, business development and training for a newly opened business incubator and co-working space. <u>Goals:</u> 1) To foster the development locally-based businesses which will create jobs and increase prosperity for area residents and other Detroiters; 2) To provide a shared professional environment for start-up businesses and independent workers in the Grandmont Rosedale community; and 3) To partner with some of Detroit's best small business support organizations to provide high quality training and consultation services for start-up business owners and independent workers in the Grandmont Rosedale community.	<ul style="list-style-type: none"> Detroit-Centric
Midtown Detroit Inc. - Detroit Innovation District Real Estate Assessment	Support to engage planning and real estate expertise to assess the opportunities for catalytic and real estate place making development within the Detroit Innovation District.	<ul style="list-style-type: none"> Detroit-Centric
Midtown Detroit Inc. - Tech Town District Planning	Support to implement the first phase of the TechTown Innovation District real estate plan <u>Goals:</u> 1) Help to develop an innovative hub in Detroit's Tech Town district that promotes science and technology, research, entrepreneurship, business support, and new business start-ups; 2) Develop an urban design framework that attracts and retains creative and innovative people; and 3) Rebuild an underutilized section of real estate and turn it into an equitable community of opportunities	<ul style="list-style-type: none"> Detroit-Centric
Southwest Solutions - Ponyride Detroit	Support for Ponyride Detroit for a tenant mentorship program, and facilities enhancements for entrepreneurial spaces to increase capacity, efficiency and offerings be approved. <u>Goals:</u> 1) Provide affordable space for emerging Detroit-based entrepreneurs and artists; 2) Support the cultivation of a diverse and strong eco-system; and 3) Expand available space for socially-conscious entrepreneurs and artists in Detroit.	<ul style="list-style-type: none"> Detroit-Centric Low Income Minorities Women

TOOLS: Investments in identifying best practices and providing training, mentors, and support services to help ideas grow

Name	Description	Geographical & Social Focus Areas
PROGRAMS		
American Middle East Economic Affairs Committee – Tejara’s Arab Chamber Export Program	Support for an entrepreneur trade hub for Michigan immigrants and minority businesses <u>Goals:</u> 1) Grow exports as a driver for Michigan job growth and economic development; 2) Create a multi-cultural ecosystem that fosters ongoing international trade; and 3) Strengthen entrepreneur success rates among immigrant and minority populations	<ul style="list-style-type: none"> ▪ Regional ▪ Immigrants
Arab Community Center for Economic and Social Services - ACCESS	Support for the Growth Center that provides training and technical assistance for immigrant and non-English speaking populations to develop and growth businesses. <u>Goals:</u> 1) Offer services to help immigrant entrepreneurs in establishing and growing businesses; and 2) Support entrepreneurs in Detroit/Dearborn, Hamtramck, and Sterling Heights	<ul style="list-style-type: none"> ▪ Regional ▪ Immigrants
Automation Alley Fund - BANSEM Collaborative Fund	Support over three years for programmatic activities of the regional accelerator network. <u>Goals:</u> 1) Promote a positive image of the region for both new and established companies; 2) Attract and retain businesses in southeast Michigan; and 3) Promote best practices for new and existing businesses	<ul style="list-style-type: none"> ▪ Regional
Automation Alley Fund - Launch Pad	Support for the implementation of the Launch Pad program at Walsh College, Wayne State University, and Automation Alley. <u>Goals:</u> 1) Encourage students to consider and plan for development of business during, and after their college year; 2) Treat entrepreneurship as a legitimate career path; and 3) Reach a diverse group of students in all disciplines by placing the program at university career centers.	<ul style="list-style-type: none"> ▪ Regional
Bizdom U	Support to fund operational expenses for entrepreneurial training programs and inclusion driven marketing campaigns. <u>Goals:</u> 1) Help to launch innovative web and tech-based startups with high growth potential; 2) Encourage diversity in tech entrepreneurship; and 3) Create a world-class accelerator that supports and keeps successful entrepreneurs in Detroit	<ul style="list-style-type: none"> ▪ Detroit-Centric
College for Creative Studies Accelerator	Support for the Detroit Creative Corridor Center to provide expanded business acceleration programming for creative sector start-up companies was approved. <u>Goals:</u> 1) Support Southeast Michigan's design, digital, and performance talent; 2) Enhance the marketplace for creative products that are made in Detroit; and 3) Foster peer-to-peer relationships amongst creative practitioners	<ul style="list-style-type: none"> ▪ Detroit-Centric
College for Creative Studies - Creative Corridor Center Studio	Support for the launch of the Detroit Creative Corridor Center (DC 3) as a tool to accelerate the growth of creative sector businesses. <u>Goals:</u> 1) Provide business support and virtual acceleration to 25 growing, viable creative sector businesses; 2) Develop an online portfolio of resources (of creative sector businesses in this region); and 3) Identify and apply designations that bring global recognition to Detroit's creative talent.	<ul style="list-style-type: none"> ▪ Detroit-Centric
Detroit Economic Growth Association - D2D Business-to-Business Procurement Program	Support over 14-months to strengthen a sustainable citywide system to increase local business-to-business procurement opportunities within Detroit. <u>Goals:</u> 1) Encourage and support a culture amongst city businesses in supporting each other's economic success; 2) Increase the levels of spend from large buyers to local suppliers in the city of Detroit; and 3) Increase employment and investment at Detroit firms in the local business to business cluster.	<ul style="list-style-type: none"> ▪ Detroit-Centric
Detroit Regional Chamber Foundation Inc. - Startgrid	Support to pilot a technology platform to create connections within the Southeast Michigan entrepreneurial ecosystem and across national investors and mentors. <u>Goals:</u> 1) Promote a successful and inclusive entrepreneurial eco-system reflecting the diversity of Southeast Michigan; 2) Capitalize on existing regional assets and resources; and 3) Introduce a new community building technology to accelerate company building, innovation, and connections within the entrepreneurial community, and to foster cultural change	<ul style="list-style-type: none"> ▪ Regional
Detroit Regional Chamber Foundation Inc. - TranslinkeD (Regional TDL Project)	Support to serve as an intermediary for regional transportation, distribution and logistics leadership to build a workforce development hub for that sector. <u>Goals:</u> 1) Create a workforce development hub for the transportation, distribution, and logistics (TDL) sector that will provide employers with a mechanism through which to drive the sector's workforce development strategy; 2) Facilitate connections among employers, entrepreneurs, skilled workers, education/training providers, workforce, and economic development agencies, and other stakeholders; and 3) Work to ensure employer needs drive workforce development for the sector and promote alignment between workforce and economic development goals.	<ul style="list-style-type: none"> ▪ Regional
Endeavor Initiative Inc - Endeavor Detroit	Support to establish Endeavor Detroit, a program that works within the entrepreneurial community to mentor and accelerate high growth potential entrepreneurs in Southeast Michigan. <u>Goals:</u> 1) Establish Endeavor Detroit; 2) Connect, educate, and inspire Detroit's entrepreneurial community; and 3) Identify, mentor, and accelerate high-potential entrepreneurs in Southeast Michigan	<ul style="list-style-type: none"> ▪ Regional

TOOLS: Investments in identifying best practices and providing training, mentors, and support services to help ideas grow

Name	Description	Geographical & Social Focus Areas
PROGRAMS		
Henry Ford Health Systems - Henry Ford Innovation Institute	<p>Support for the Innovation Institute at Henry Ford to increase commercialization of health care technology and leverage technology assets solidify an entrepreneurial ecosystem in Detroit.</p> <p><u>Goals:</u> 1) Attract and retain innovative physicians and clinical scientists; 2) Translate leading-edge discoveries for clinical use; and 3) Support regional economic growth through commercial and new business spin-offs</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric
Inforum Center for Leadership	<p>Support to Inforum to provide comprehensive training programs and mentorship to high tech and high growth women entrepreneurs.</p> <p><u>Goals:</u> 1) Continue to build and grow the various Inforum programs, including ACTiVATE, and inGAGE; 2) Increase the number of women-led high tech ventures in Michigan that will spur economic growth and job creation; and 3) Increased involvement of female executives as angel investors in Michigan and expanded involvement of women and men execs as advisors and investors</p>	<ul style="list-style-type: none"> ▪ Regional ▪ Women
Michigan Economic Development Corporation) - Michigan Life Science Innovation Center	<p>Support to remodel and expand the life sciences incubator in western Wayne County to increase office space capacity for startup entrepreneurs</p> <p><u>Goal:</u> Build out of Plymouth MLSIC Building</p>	<ul style="list-style-type: none"> ▪ Regional
Michigan Women's Foundation - Women's Entrepreneurial Program	<p>Support to expand entrepreneurial training for women in Detroit</p> <p><u>Goals:</u> 1) Provide access to needed capital to start or expand a business that will financially support a woman and create a needed service or business within her community; 2) Help the start-up firms and owners gain credibility and support within their industries; and 3) To redefine philanthropy for women and support programs that meet the special needs of women and girls throughout Michigan</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric ▪ Women
NextEnergy-Testing Facility Infrastructure Enhancement	<p>Support to expand and upgrade infrastructure and capabilities to improve energy technology commercialization results</p> <p><u>Goals:</u> 1) Develop innovative technologies and solutions at NextEnergy for key industry sectors; 2) Increase research, development, demonstration, testing and product commercialization activity in Midtown Detroit within advanced energy; and 3) Accelerate economic development opportunities for Midtown Detroit and Southeast Michigan</p>	<ul style="list-style-type: none"> ▪ Regional
Southwest Housing Solutions - ProsperUs	<p>Support for the ProsperUs entrepreneurial training and technical assistance program to assist underserved populations to develop and grow businesses in neighborhoods.</p> <p><u>Goals:</u> 1) Support for entrepreneurial training and technical assistance; and 2) Assist underserved populations to develop and grow businesses in their neighborhoods of choice</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric ▪ Low Income ▪ Women
Walsh College - Launch Pad Student Entrepreneurial Training	<p>Support for entrepreneurial education and training to Walsh College students.</p> <p><u>Goals:</u> 1) Provide entrepreneurial support to Michigan companies, in particular those located in Oakland and Macomb Counties; 2) Accelerate growth through access to experiential learning, education, collaboration, and training; 3) Encourage students to consider an entrepreneurial career and help with planning and development of businesses during and after their college years.</p>	<ul style="list-style-type: none"> ▪ Regional
Wayne State University - Technology Development Incubator	<p>Support for the expansion of the Technology Development Incubator, Innovation Fellows program and infrastructure support.</p> <p><u>Goals:</u> 1) Improve technology transfer program and process at WSU; 2) Increase amount of licensable IP from WSU; and 3) Create spin off companies resulting from WSU licensed IP</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric
Wayne State University - WSU Launch Pad Student Entrepreneurial Training	<p>Support for entrepreneurial education and training to Wayne State University students.</p> <p><u>Goals:</u> 1) Provide entrepreneurial support to students at Wayne State University; 2) Accelerate growth through access to experiential learning, education, collaboration, and training; and 3) Encourage students to consider an entrepreneurial career and help with planning and development of businesses during and after their college years.</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric
WSU TechTown - WSU Research and Technology Park	<p>Support to build a high tech business incubator and accelerator, and a neighborhood business support and entrepreneur program to develop and grow businesses in Detroit</p> <p><u>Goals:</u> 1) To accelerate business development, investment and job creation with an emphasis on inclusive place-based economic and community development; 2) Continue to deliver and make appropriate links between three business units: Labs, Blocks, and SWOT City; and 3) Provide support to Detroit-based businesses through high-tech business incubator, accelerator programs, retail and wholesale boot camps, technical assistance programs, and SWOT City that acts as a catalyst for neighborhood revitalization.</p>	<ul style="list-style-type: none"> ▪ Detroit-Centric